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Draft Red Herring Prospectus

May 24, 2024

100% Book Built Offer

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



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

100% Book Built Offer



NEELAM LINENS AND GARMENTS (INDIA) LIMITED

Corporate Identity Number: U17299MH2010PLC208010

REGISTERED OFFICE		CORPORATE OFFICE	CONTACT PERSON	EMAIL & TELEPHONE	WEBSITE
446-447, 4th Floor, Shah & Nahar Industrial Estate Sitaram Jadav Marg, Lower Parel, Delisle Road, Mumbai- 400013, Maharashtra, India,		NA	Supriya Gupta Company Secretary and Compliance Officer	compliance@neelamgarments.com & +91 22 2494 2454	www.neelamgarments.com
NAME OF PROMOTERS OF THE COMPANY					
KANTILAL JETHVA AND BHAVIN JETHWA					
DETAILS OF ISSUE TO PUBLIC					
Type	Fresh Issue Size	OFS * (by no. of shares or by amount in ₹)	Total Issue Size	Eligibility & Share Reservation among NII & RII	
Fresh Issue	Up to 60,00,000 [^] Equity Shares aggregating up to ₹ [●] Lakhs	Nil	Up to 60,00,000 [^] Equity Shares aggregating up to ₹ [●] Lakhs	The Issue is being made pursuant to Regulation 229(2) of SEBI (ICDR) Regulations, 2018. As the Company's post issue capital exceeds ₹ 1,000 Lakhs but does not exceed ₹ 2,500 Lakhs. For details of Share reservation among QIBs, NIIs and RIIs, see "Issue Structure" beginning on page 188	
*OFS: Offer for Sale					
DETAILS OF OFS BY PROMOTER(S)/ PROMOTER GROUP/ OTHER SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION- NA					
RISKS IN RELATION TO THE FIRST ISSUE					
This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of our Equity Shares is ₹10 each and the Floor Price and Cap Price are [●] times and [●] times of the face value of the Equity Shares, respectively. The Floor Price, Cap Price and the Issue Price (as determined by our Company, in consultation with the BRLM, in accordance with SEBI ICDR Regulations, and as stated in "Basis for Issue Price" beginning on page 83 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.					
GENERAL RISK					
Investments in Equity and Equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 29 of this Draft Red Herring Prospectus.					
ISSUER'S ABSOLUTE RESPONSIBILITY					
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this offer document contains all information with regard to the issuer and the Issue which is material in the context of the Issue, that the information contained in the offer document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.					
LISTING					
The Equity Shares of our Company issued through this Draft Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited ("NSE EMERGE") in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated [●] from National Stock Exchange of India Limited for using its name in the Draft Red Herring Prospectus for listing of our shares on the Emerge Platform of National Stock Exchange of India Limited. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange.					
BOOK RUNNING LEAD MANAGER			REGISTRAR TO THE ISSUE		
					
EXPERT GLOBAL CONSULTANTS PRIVATE LIMITED 1511, RG Trade Tower Netaji Subhash Place, Pitampura, New Delhi – 110034, India Telephone: +91 11 4509 8234 Email: ipo@expertglobal.in Website: www.expertglobal.in Investor grievance email: compliance@expertglobal.in Contact Person: Gaurav Jain SEBI registration number: INM000012874; CIN: U74110DL2010PTC205995			PURVA SHAREREGISTRY (INDIA) PRIVATE LIMITED Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (E) Mumbai – 400011, Maharashtra, India Tel: +91 22 4961 4132 / 3522 0056 Email/ Investor Grievance E-mail ID: support@purvashare.com Website: www.purvashare.com Contact Person: Deepali Dhuri SEBI Registration No: INR000001112; CIN: U67120MH1993PTC074079		
ISSUE PROGRAMME					
ISSUE OPENS ON⁽¹⁾: [●]			ISSUE CLOSES ON⁽²⁾⁽³⁾: [●]		
Anchor portion Opens/Closes on ⁽¹⁾ : [●]					
1) Our Company in consultation with the BRLM, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date. 2) Our Company in consultation with the BRLM, may decide to close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date, in accordance with the SEBI ICDR Regulations. 3) The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Issuer Closing Day. [^] Subject to finalization of the Basis of Allotment. Number of shares may need to be adjusted for lot size upon determination of Issue price.					

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NEELAM LINENS AND GARMENTS (INDIA) LIMITED

Corporate Identity Number: U17299MH2010PLC208010

Our Company was incorporated as private limited Company under the name "Neelam Linens and Garments (India) Private Limited", under the provisions of the Companies Act, 1956 and Certificate of Incorporation was issued by the Registrar of Companies, Mumbai on September 22, 2010. The status of the Company was changed to public limited and the name of our Company was changed to "Neelam Linens and Garments (India) Limited" vide Special Resolution dated August 12, 2022. The fresh certificate of Incorporation consequent to conversion was issued on September 01, 2022 by the Registrar of Companies, Mumbai. The Corporate Identity Number of our Company is U17299MH2010PLC208010. For details of incorporation, change of name and registered office of our Company, please refer to chapter titled "General Information" and "History and Certain Corporate Matters" beginning on page 54 and 122 respectively of this Draft Red Herring Prospectus.

Registered office: 446-447, 4th Floor, Shah & Nahar Industrial Estate Sitaram Jadav Marg, Lower Parel, Delisle Road, Mumbai- 400013, Maharashtra, India.

Tel: +91 22 2494 2454; **E-mail:** compliance@neelamgarments.com; **Website:** www.neelamgarments.com;

Company Secretary and Compliance Officer: Supriya Gupta, Company Secretary and Compliance Officer

PROMOTERS OF THE COMPANY: KANTILAL JETHVA AND BHAVIN JETHWA

INITIAL PUBLIC ISSUE OF UP TO 60,00,000¹ EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF NEELAM LINENS AND GARMENTS (INDIA) LIMITED ("COMPANY") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) ("ISSUE PRICE") AGGREGATING UP TO ₹ [●] LAKHS OF WHICH UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ [●] EACH FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AT A PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ [●] IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF EQUITY SHARES IS ₹ 10 EACH. THE ISSUE PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WILL BE ADVERTISED IN ALL EDITIONS OF [●] (WHICH ARE WIDELY CIRCULATED ENGLISH DAILY NEWSPAPER) AND [●] EDITIONS OF [●] (WHICH ARE WIDELY CIRCULATED HINDI DAILY NEWSPAPER) AND [●] EDITIONS OF [●] (A WIDELY CIRCULATED MARATHI DAILY NEWSPAPER, MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", "STOCK EXCHANGE") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITE.

Subject to Finalization of the Basis of Allotment.

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

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company in consultation with the BRLM may allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) ("Net QIB Portion"). Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15.00% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35.00% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders, other than Anchor Investors, are required to participate in the Issue by mandatorily utilising the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" on page 191.

All potential investors shall participate in the Issue through an Application Supported by Blocked Amount ("ASBA") process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to "Issue Procedure" on page 191 of this Draft Red Herring Prospectus. A copy of Red Herring Prospectus will be delivered to the Registrar of Companies for filing in accordance with Section 32 of the Companies Act, 2013.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public Issue of Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10.00. The Issue Price, Floor Price or the Price Band should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding active and/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 investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on Page 29 of this Draft Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Offer document contains all information with regard to the issuer and the Issue which is material in the context of the Issue, that the information contained in the Offer document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document 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 the Draft Red Herring Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange ("NSE EMERGE"). In terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. Our Company has received In-Principal Approval letter dated [●] from NSE for using its name in this offer document for listing of our shares on the EMERGE platform of NSE. For the purpose of this Issue, the designated Stock Exchange will be the National Stock Exchange of India Limited ("NSE").

BOOK RUNNING LEAD MANAGER

REGISTRAR TO THE ISSUE



EXPERT GLOBAL CONSULTANTS PRIVATE LIMITED
1511, RG Trade Tower Netaji Subhash Place, Pitampura, New Delhi – 110034, India
Telephone: +91 11 4509 8234
Email: ipo@expertglobal.in; **Website:** www.expertglobal.in
Investor grievance email: compliance@expertglobal.in
Contact Person: Gaurav Jain
SEBI registration number: INM000012874; **CIN:** U74110DL2010PTC205995

PURVA SHAREREGISTRY (INDIA) PRIVATE LIMITED
Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (E) Mumbai – 400011, Maharashtra, India
Tel: +91 22 4961 4132 / 3522 0056; **Email/ Investor Grievance E-mail ID:** support@purvashare.com
Website: www.purvashare.com
Contact Person: Deepali Dhuri
SEBI Registration No: INR000001112; **CIN:** U67120MH1993PTC074079

ISSUE PROGRAMME

ISSUE OPENS ON⁽¹⁾: [●] DAY, [●] 2024

ISSUE CLOSES ON⁽²⁾⁽³⁾: [●] DAY, [●] 2024

Anchor portion Opens/Closes on⁽¹⁾: [●]

- Our Company in consultation with the BRLM, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Issue Opening Date.
- Our Company in consultation with the BRLM, may decide to close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date, in accordance with the SEBI ICDR Regulations.
- The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Issuer Closing Day.

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**SECTION I – GENERAL
DEFINITIONS AND ABBREVIATIONS**

Unless the context otherwise indicates or implies, the following terms shall have the meanings provided below in this Draft Red Herring Prospectus, and references to any statute, regulation, rule, guidelines, circular, notification or clarification or policies will include any amendments or re-enactments thereto, from time to time.

Notwithstanding the foregoing, terms in “Main Provisions of the Articles of Association”, “Statement of Possible Special Tax Benefits”, “Industry Overview”, “Basis for Issue Price”, “Key Regulations and Policies in India”, “Financial Information”, “Outstanding Litigation and Other Material Developments” and “Issue Procedure”, will have the meaning ascribed to such terms in these respective sections.

In case of any inconsistency between the definitions given below and the definitions contained in the Conventional or General Information Document (as defined below), the definitions given below shall prevail. 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 notified provisions of the Companies Act, 2013, the SEBI Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Conventional or General Terms

Terms	Description
“NLAGIL”, “Neelam”, “our Company”, “we”, “us”, “our”, “the Company”, “the Issuer Company” or “the Issuer”	Unless the context otherwise requires, refers to “Neelam Linens And Garments (India) Limited”, (formerly known as Neelam Linens And Garments (India) Private Limited) a Company incorporated under the Companies Act, 1956 vide a Certificate of Incorporation issued by the Registrar of Companies, Mumbai.
“we”, “us” and “our”	Unless the context otherwise indicates or implies, refers to our Company.
“you”, “your” or “yours”	Prospective investors in this Issue.
Our Promoters	The Promoters of our Company, namely, Kantilal Jethva and Bhavin Jethwa.
Promoter Group	Such persons, entities and companies constituting our Promoters Group pursuant to Regulation 2(1) (pp) of the SEBI (ICDR) Regulations as disclosed in the Chapter titled “Our Promoters and Promoter Group” on page 141 of this Draft Red Herring Prospectus.

Company Related Terms

Terms	Description
AOA / Articles / Articles of Association	The articles of association of our Company, as amended from time to time.
Audit Committee	The audit committee of our Company constituted in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulations.
Auditor or Statutory Auditor	The statutory auditor of our Company, namely MASD & Co. LLP, Chartered Accountants.
Banker to our Company	State Bank of India as disclosed in the section titled “General Information” beginning on page 54 of this Draft Red Herring Prospectus.
Board of Directors / the Board / our Board	The director(s) on our Board, as duly constituted from time to time, including any committee(s). For further details of our Directors, please refer to section titled “Our Management” beginning on page 126 of this Draft Red Herring Prospectus.
Chairman	Chairman of the Board, as described in “Our Management” on page 126.
Chief Financial Officer/ CFO	The Chief Financial Officer of our Company being Chetan Solanki.
CIN	Corporate Identity Number being U17299MH2010PLC208010.
Company Secretary & Compliance Officer	The Company Secretary and Compliance Officer of our Company being CS Supriya Gupta.
Director(s)	The director(s) on our Board.
Equity Shares/Shares	Equity Shares of the Company of Face Value of ₹10 each unless otherwise specified in the context thereof.
Equity Shareholders/ Shareholders	Persons/ Entities holding Equity Shares of our Company.
Equity Listing Agreement/ Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our company and the NSE Emerge Platform.

Terms	Description
Independent Director	A non-executive, Independent Director as per the Companies Act, 2013 and the Listing Regulations.
Indian GAAP	Generally Accepted Accounting Principles in India
ISIN	International Securities Identification Number. In this case being: INE0N1401016.
Key Managerial Personnel/Key Managerial Employees	Key Management Personnel of our Company in terms of the SEBI ICDR Regulations and the Companies Act, 2013 and as described in section entitled “ <i>Our Management</i> ” on page 126 of this Draft Red Herring Prospectus.
MD or Managing Director	The Managing Director of our Company being Bhavin Jethwa.
MOA/ Memorandum/ Memorandum of Association	Memorandum of Association of our Company, as amended from time to time.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board at its meeting held on December 28, 2023, in accordance with the requirements of the SEBI ICDR Regulations for the purposes of disclosure in the offer documents.
Nomination and Remuneration Committee	The nomination and remuneration committee of our Company constituted in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulations.
Non- Executive Director	A Director not being an Executive Director or an Independent Director.
Peer Review Auditor	Independent Auditor having a valid Peer Review certificate in our case being MASD & Co. LLP, Chartered Accountant
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
Registered Office of our Company	446-447, 4th Floor, Shah & Nahar Industrial Estate Sitaram Jadav Marg, Lower Parel, Delisle Road, Mumbai- 400013, Maharashtra, India.
Reserve Bank of India/RBI	Reserve Bank of India constituted under the RBI Act
RoC / Registrar of Companies	Registrar of Companies, Mumbai located at Everest, 100 Marine Drive, Mumbai- 400002, Maharashtra, India.
Restated Financial Statements or Restated Financial Information or Financial Information	The Restated Financial Statements of our Company for the period ended December 31, 2023 and for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, which comprises the restated balance sheet, the restated statement of profit and loss and the restated cash flow statement, together with the annexures and notes thereto, which have been prepared in accordance with the Companies Act, Indian GAAP, and restated in accordance with the SEBI ICDR Regulations, as amended and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by the Institute of Chartered Accountants of India, as amended.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act.
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time.
SEBI (ICDR) Regulations/ICDR Regulations/ Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, including amendments, 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.
SEBI (Foreign Venture Capital Investor) Regulations	Securities Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000 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) Regulations	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 (PFUTP) Regulations/ PFUTP Regulations	SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Markets) Regulations, 2003 as amended.

Terms	Description
Stakeholders	The holders of the Equity Shares from time to time.
Stakeholders' Relationship Committee	The committee of the Board of Directors constituted as the Company's Stakeholders' Relationship Committee in accordance with Section 178(5) of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulations.
Stock Exchange	Unless the context requires otherwise, refers to Emerge platform of National Stock Exchange of India Limited.
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.
Subscribers to MOA	Initial Subscribers to the MOA & AOA being Bhavin Jethwa, Kantilal Jethva, Manjula Jethva, and Janki Jethva.

Issue Related Terms

Terms	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application.
Allot / Allotment / Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of the Equity Shares to the successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee (s)	The successful applicant to whom the Equity Shares are being / have been issued.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus and who has Bid for an amount of at least ₹ 200.00 lakhs.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/Issue Period.
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion, and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
Anchor Investor Bidding Date	The day, being one Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investor, and allocation to Anchor Investors shall be completed.
Anchor Investor Issue Price	The final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the BRLM.
Anchor Investor Portion	Up to 60% of the QIB Portion, which may be allocated by our Company, in consultation with the BRLM, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, 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 Allocation Price, in accordance with the SEBI ICDR Regulations.
Applicant / Investor	Any prospective investor who makes an application pursuant to the terms of the Red Herring Prospectus and the Application form.
Application Amount	The amount at which the Applicant makes an application for the Equity Shares of our Company in terms of this Draft Red Herring Prospectus.
Application Form	The form, whether physical or electronic, used by an Applicant to make an application, which will be considered as the application for Allotment for purposes of this Draft Red Herring Prospectus.
Applications Supported by Blocked Amount or ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorising an SCSB to block the Bid Amount in the relevant 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 UPI Bidders using the UPI Mechanism.
ASBA Account	A bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of a UPI Bidder which is blocked upon acceptance of a UPI Mandate Request made by the UPI Bidder.
ASBA Bidder	All Bidders except Anchor Investors.

Terms	Description
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders, to submit Bids through the ASBA process, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus.
ASBA / Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata and Hyderabad.
Banker to the Issue/ Public Issue Bank/ Refund Banker	Banks which are clearing members and registered with SEBI as Bankers to an Issue and with whom the Public Issue Account will be opened, in this case being [●].
Banker to the Issue Agreement	Agreement dated [●] entered into amongst the Company, Book Running Lead Manager, the Registrar and the Banker of the Issue.
Basis of Allotment	The basis on which the Equity Shares will be allotted, described in “Issue Procedure” on page 191 of this Draft Red Herring Prospectus.
Bid	An indication to make an issue during the Bid/Issue Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of a Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in terms of the Red Herring Prospectus and the Bid cum Application Form. The term “Bidding” shall be construed accordingly.
Bidder	Any investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form, and unless otherwise stated or implied, includes an Anchor Investor.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIBs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid.
Bid cum Application Form	An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by ASBA Bidders, which will be considered as the application for Allotment in terms of the Prospectus.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Bid/ Issue Closing Date	The date on which the Syndicate, the Designated Branches and the Registered Brokers shall not accept the Bids, which shall be notified in All editions of the English national newspaper [●], All editions of the Hindi national newspaper [●], and Mumbai edition of the Marathi Regional newspaper [●], 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 and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Opening Date	The date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in All edition of the English national newspaper [●], All edition of the Hindi national newspaper [●], and Mumbai edition of the Marathi Regional newspaper [●], 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	The period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof.
Bidding/Collection Centres	Centres at which the Designated intermediaries shall accept the ASBA Forms, i.e Designated SCSB Branch for SCSBs, specified locations for syndicate, broker centre for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Book Building Process	The book building process, as described in Part A, Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue will be made.
Book Running Lead Manager or BRLM	The Book Running Lead Manager to the Issue, namely Expert Global Consultants Private Limited.
Broker Centres	Broker centres notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchange.
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The Note or advice or intimation sent to each successful Applicant indicating the Equity which will be allotted, after approval of Basis of Allotment by the designated Stock Exchange.
Cap Price	The higher end of the Price Band, i.e. ₹ [●] per Equity Share, above which the Issue Price and the Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted, including any revisions thereof.
Cash Escrow and Sponsor Bank Agreement	Agreement to be entered into and amongst our Company, the Registrar to the Issue, the Book Running Lead Manager, the Syndicate Members, the Escrow Collection Bank(s), Public Issue Bank(s), Sponsor Bank and Refund Bank(s) in accordance with UPI Circulars, for <i>inter alia</i> , the appointment of the Sponsor Bank in accordance, for the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public

Terms	Description
	Issue Account(s) and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof.
Client Id	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant or CDP	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. <i>CIR/CFD/POLICYCELL/11/2015</i> dated <i>November 10, 2015</i> , issued by SEBI.
Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the BRLM, the Registrar to the Issue and the Stock Exchange.
Cut-off Price	The Issue Price, as finalized by our Company, in consultation with the Book Running Lead Manager which shall be any price within the Price Band. Only Retail Individual Bidders Bidding in the Retail Portion, are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details.
Depository / Depositories	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 as amended from time to time, being NSDL and CDSL.
Depository Participant / DP	A Depository Participant as defined under the Depositories Act, 1996.
Designated CDP Locations	Such centres of the CDPs where Bidders can submit the Bid cum Application Forms. 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 (www.nseindia.com) and updated from time to time.
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account(s) to the Public Issue Account(s) or the Refund Account(s), as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders using the UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account(s) or the Refund Account(s), as the case may be, in terms of the Red Herring Prospectus and the Prospectus after finalization of the Basis of Allotment in consultation with the Designated Stock Exchange, following which Equity Shares will be Allotted in the Issue.
Designated Intermediaries/ Collecting Agent	An SCSB's with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Stock-Broker registered with recognized Stock Exchange, a 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 CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. www.nseindia.com .
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange i.e. www.nseindia.com .
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at Intermediaries [www.sebi.gov.in] or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	National Stock Exchange of India Limited (NSE) (SME Platform of NSE i.e. NSE EMERGE).
DP	Depository Participant
DP ID	Depository Participant's Identity.
Draft Red Herring Prospectus or DRHP	This draft red herring prospectus dated May 24, 2024, filed with Stock Exchange in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the Issue, including the price at which the Equity Shares are issued and the size of the Issue and includes any addenda or corrigenda thereto.
Eligible NRI(s)	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.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom the Draft Red Herring Prospectus constitutes an invitation to purchase the Equity shares issued thereby and accounts with SEBI registered qualified depository participants.
Escrow Account(s)	The 'no-lien' and 'non-interest bearing' account(s) opened with the Escrow Collection Bank(s) and in whose favour Anchor Investors will transfer money through direct credit/ NEFT/ RTGS/NACH in respect of Bid Amounts when submitting a Bid.

Terms		Description
Escrow Bank(s)	Collection	The banks which are clearing members and registered with SEBI as bankers to an issue under the BTI Regulations, and with whom the Escrow Account(s) will be opened, in this case being [●].
First Bidder		The Bidder 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, i.e., ₹ [●] subject to any revision(s) thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalized and below which no Bids, will be accepted and which shall not be less than the face value of the Equity Shares.
Equity Shares		Equity Shares of our Company of face value ₹10 each.
Electronic Transfer of Funds		Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
FII/ Foreign Institutional Investors		Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
Fresh Issue		Fresh issue of up to 60,00,000 Equity Shares aggregating up to ₹ [●] lakhs to be issued by company pursuant to the Issue.
First/ Sole Applicant		The Applicant whose name appears first in the Application Form or Revision Form.
Foreign Venture Capital Investors		Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor		A Foreign Portfolio Investor who has been registered pursuant to the of Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, provided that any FII or QFI who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid.
Fugitive Offender	Economic	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018 as amended from time to time.
Foreign Venture Capital Fund	Venture	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
General Information Document/GID		The General Information Document for investing in public issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, as amended by SEBI from time to time and the UPI Circulars. The General Information Document shall be available on the website of the Stock Exchange and Book Running Lead Manager.
Gross Proceeds		The total Issue Proceeds to be raised pursuant to the Issue.
Issue / Public Issue / Issue size/ Initial Public Issue / Initial Public Issuing / IPO		The issuance of up to 60,00,000 [^] Equity Shares at ₹ [●] per Equity Share (including a share premium of ₹[●] per Equity Share) aggregating up to ₹ [●] lakhs by our Company. <i>[^]Subject to finalization of the Basis of Allotment. Number of shares may need to be adjusted for lot size upon determination of Issue price.</i>
Issue Agreement		The Agreement dated May 20, 2024, entered amongst our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price		₹ [●] per Equity Share, being the final price within the Price Band at which the 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 Book Running Lead Manager, in accordance with the Book Building Process on the Pricing Date 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” page 76 of this Draft Red Herring Prospectus.
Listing Agreement		Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and Emerge platform of National Stock Exchange of India Limited.
Lot Size		The Market lot and Trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful applicants.
Mutual Funds		Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time.
Market Maker		Member Brokers of NSE who are specifically registered as Market Makers with the NSE Emerge Platform.

Terms	Description
	In our case, [●].
Market Making Agreement	The Market Making Agreement dated [●], 2024 between our Company and Market Maker.
Market Maker Reservation Portion	The reserved portion up to [●] Equity Shares of ₹ 10 each at an Issue price of ₹ [●] each aggregating to ₹ [●] lakhs to be subscribed by Market Maker in this issue.
Minimum Promoter's Contribution	Aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by our Promoters which shall be provided towards minimum promoter's contribution of 20% and locked in for a period of three years from the date of Allotment.
Mobile App(s)	The mobile applications listed on the website of SEBI at www.sebi.gov.in or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) up to [●] equity Shares of ₹ 10 each at a price of ₹ [●] per Equity Share (the "Issue Price"), including a share premium of ₹ [●] per equity share aggregating to ₹ [●] Lakhs.
Net Proceeds	The Issue Proceeds received from the fresh Issue excluding Issue related expenses. For further information on the use of Net Issue Proceeds and Issue expenses, please refer to the chapter titled "Objects of the Issue" beginning on page 76 of this Draft Red Herring Prospectus.
Non-Institutional Investors / Applicant	All Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or Retail Individual Investors and who have applied for Equity Shares for an amount of more than ₹ 2,00,000/- (but not including NRIs other than Eligible NRIs).
Non-Resident or NR	A person resident outside India, as defined under FEMA and includes Eligible non-resident Indian, Eligible QFIs, FIIs registered with SEBI, FVCIs and FPIs.
Non-Resident Indian/NRI	A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations, as amended.
NSE	National Stock Exchange of India Limited.
NSE EMERGE	The SME platform of NSE, approved by SEBI as an SME Exchange for listing of equity shares Issued under Chapter IX of the SEBI ICDR Regulations.
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions.
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% by NRIs including overseas trusts, Overseas Corporate Body means and includes an entity defined in which not less than 60.00% clause (xi) of Regulation 2 of beneficial interest is irrevocably held by NRIs directly or indirectly and the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on October 3, 2003 and the date of the commencement of these Regulations and immediately prior to such date had taken benefits under the commencement was eligible to undertake transactions pursuant to the general permission granted to under the Regulations. OCBs under FEMA are not allowed to invest in this Issue.
Payment through electronic means	Payment through NECS, NEFT, or Direct Credit, as applicable.
Pricing Date	The date on which our Company in consultation with the BRLM, will finalize the Issue Price.
	Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum Price of ₹ [●] per Equity Share (Cap Price) and includes revisions thereof, if any. The Cap Price shall be at least 105% of the Floor Price.
Price Band	The Price Band and the minimum Bid Lot for the Issue will be decided by our Company, in consultation with the Book Running Lead Manager, and will be advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and Mumbai editions of [●] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra where our registered office is located), each with wide circulation, at least two Working Days prior to the Bid/Issue Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price and shall be made available to the Stock Exchange for the purpose of uploading on their website.
Prospectus	The prospectus to be filed with the RoC, in accordance with the Companies Act, 2013 and the SEBI ICDR Regulations containing, amongst other things, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information, including any addenda or corrigenda thereto.
Public Issue Account	The 'no-lien' and 'non-interest bearing' account to be opened in accordance with Section 40(3) of the Companies Act, 2013, with the Public Issue Account Bank(s) to receive money from the Escrow Account(s) and from the ASBA Accounts on the Designated Date.
QIB Portion	The portion of the Issue being not more than [●] % of the Issue or [●] Equity Shares, available for allocation to QIBs (including Anchor Investors) on a proportionate basis (in which allocation to Anchor Investors shall

Terms	Description
	be on a discretionary basis, as determined by our Company in consultation with the BRLM), subject to valid Bids being received at or above the Issue Price.
Qualified Foreign Investor/ QFIs	Non-resident investors other than SEBI registered FIIs or sub-accountants or SEBI registered FCVIs who meet know your client requirements prescribed by SEBI.
Qualified Institutional Buyers/ QIBs	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Red Herring Prospectus or RHP	The Red Herring Prospectus to be issued by our Company in accordance with Section 32 of the Companies Act, 2013 and the provisions of 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. The red herring prospectus will be filed with the RoC at least three working days before the Bid/ Issue Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date.
Refund Account	The 'no-lien' and 'non-interest bearing' account to be opened with the Refund Bank(s), from which refunds, if any, of the whole or part, of the Bid Amount to the Anchor Investors shall be made.
Refund Bank(s)/ Refund Banker(s)	The Bankers to the Issue with whom the Refund Accounts will be opened, in this case being [●].
Registered Brokers	Stock-brokers registered with SEBI under the Securities and Exchange Board of India (Stock-Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate eligible to procure Bids in terms of Circular No. <i>CIR/CFD/14/2012</i> dated <i>October 04, 2012</i> , issued by SEBI.
Registrar/ Registrar to the Issue/ RTA/ RTI	Purva Sharegistry (India) Private Limited having its office at Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (E) Mumbai – 400011, Maharashtra, India.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations.
Retail Individual Investors/ RII	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000.
Retail Portion	The portion of the Issue being not less than [●]% of the Issue consisting of [●] Equity Shares which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, which shall not be less than the minimum Bid Lot, subject to valid Bids being received at or above the Issue Price.
Registered Broker	Stock-brokers registered with SEBI under the Securities and Exchange Board of India (Stock-Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate eligible to procure Bids in terms of Circular No. <i>CIR/CFD/14/2012</i> dated <i>October 04, 2012</i> , issued by SEBI.
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s).
SEBI SCORES	Securities and Exchange Board of India Complaints Redress System.
Securities Law	In accordance with Regulation 2(1)(ccc), the Securities Contracts (Regulation) Act, 1956, the Depositories Act, 1996 and the rules and regulations made thereunder and the general or special orders, guidelines or circulars made or issued by the Board thereunder and the provisions of the Companies Act, 2013 or any previous company law and any subordinate legislation framed thereunder, which are administered by the Board.
Self-Certified Syndicate Bank(s) / SCSB(s)	The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders using the UPI Mechanism, a list of which is available on the website of SEBI at https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as updated from time to time.
SME Exchange/ SME Platform	The SME Platform of NSE i.e. NSE EMERGE for listing equity shares issued under Chapter IX of the SEBI ICDR Regulations.
Specified securities	The equity shares issued through this Offer Document.
Syndicate Agreement	Agreement to be entered into among the Company, the Book Running Lead Manager, and the Syndicate Members in relation to collection of Bid cum Application Forms by the Syndicate.
Syndicate Members	Syndicate members as defined under Regulation 2(1) (hhh) of the SEBI ICDR Regulations
Syndicate or members of the Syndicate	Together, the Book Running Lead Manager and the Syndicate Members

Terms	Description
Systemically Important Non-Banking Financial Company or NBFC-SI	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
Transaction Registration Slip/ TRS	The slip or document issued by the member(s) of the Syndicate to the Applicant as proof of registration of the Application.
Underwriter	[●]
Underwriting Agreement	The Agreement dated [●], entered between the Underwriters and our Company.
UPI/ Unified Payments Interface	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons bank accounts using a payment address which uniquely identifies a person's bank a/c.
UPI Bidders	Collectively, individual investors applying as Retail Individual Bidders in the Retail Portion, NIBs Bidding with an application size of more than ₹ 200,000 and up to ₹ 5,00,000 in the Non-Institutional Portion and Bidding under the UPI Mechanism Pursuant to Circular no. <i>SEBI/HO/CFD/DIL2/P/CIR/P/2022/45</i> dated <i>April 05, 2022</i> issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹ 5,00,000 shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity).
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI Circulars	The SEBI circular no. <i>SEBI/HO/CFD/DIL2/CIR/P/2018/138</i> dated November 01, 2018 read with SEBI circular no. <i>SEBI/HO/CFD/DIL2/CIR/P/2019/50</i> dated April 03, 2019, SEBI circular no. <i>SEBI/HO/CFD/DIL2/CIR/P/2019/76</i> dated June 28, 2019, SEBI circular no. <i>SEBI/HO/CFD/DIL2/CIR/P/2019/85</i> dated July 26, 2019, SEBI circular no. <i>SEBI/HO/CFD/DCR2/CIR/P/2019/133</i> dated November 08, 2019, SEBI circular no. <i>SEBI/HO/CFD/DIL2/CIR/P/2020/50</i> dated March 30, 2020, SEBI circular no. <i>SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M</i> dated March 16, 2021, SEBI circular no. <i>SEBI/HO/CFD/DIL1/CIR/P/2021/47</i> dated March 31, 2021, SEBI circular no. <i>SEBI/HO/CFD/DIL2/P/CIR/2021/570</i> dated June 02, 2021, SEBI circular no. <i>SEBI/HO/CFD/DIL2/CIR/P/2022/45</i> dated April 05, 2022, SEBI circular no. <i>SEBI/HO/CFD/DIL2/CIR/P/2022/51</i> dated April 20, 2022 and SEBI circular no. <i>SEBI/HO/CFD/DIL2/CIR/2022/75</i> dated May 30, 2022 and SEBI master circular with circular no. <i>SEBI/HO/MIRSD/POD-1/P/CIR/2023/70</i> dated May 17, 2023 (to the extent that such circulars pertain to the UPI Mechanism), SEBI master circular with circular no. <i>SEBI/HO/CFD/PoD-2/P/CIR/2023/00094</i> dated June 21, 2023, SEBI circular no. <i>SEBI/HO/CFD/TPD1/CIR/P/2023/140</i> dated August 9, 2023, along with (i) the circulars issued by the National Stock Exchange of India Limited having reference no. 23/2022 dated July 22, 2022 and reference no. 25/2022 dated August 3, 2022; and (ii) the circulars issued by BSE Limited having reference no.20220722-30 dated July 22, 2022 and reference no.20220803-40 dated August 3, 2022; and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard
UPI Mandate Request	A request (intimating the UPI Bidders by way of a notification on the UPI linked mobile application and by way of an SMS on directing the UPI Bidders to such UPI linked mobile application) to the UPI Bidders initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment. In accordance with SEBI Circular No. <i>SEBI/HO/CFD/DIL2/CIR/P/2019/76</i> dated <i>June 28, 2019</i> and SEBI Circular No. <i>SEBI/HO/CFD/DIL2/CIR/P/2019/85</i> dated <i>July 26, 2019</i> , RIBs Bidding 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&int mId=40) and (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&int mId=43) respectively, as updated from time to time.
UPI Mechanism	The Application mechanism that may be used by an RII to make an Application in the Issue in accordance the UPI Circulars to make an ASBA Applicant in the Issue.
UPPIN	Password to authenticate UPI transaction
U.S. Securities Act	U.S. Securities Act of 1933, as amended

Terms	Description
Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
Wilful Defaulter or Fraudulent Borrower	A wilful defaulter or a fraudulent borrower, as defined under the SEBI ICDR Regulations.
Working Day	The days on which commercial banks in Mumbai are open for business; provided however, with reference to (i) announcement of Price Band; and (ii) Issue Period, "Working Day" shall mean all days, excluding all Sundays, Saturdays and public holidays, on which commercial banks in Mumbai are open for business; (iii) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI, including the UPI Circulars.

Technical and Industry Related Terms & Abbreviations

Terms	Full Form
WEO	World Economic Outlook
HFI	High-Frequency Indicators
GDP	Gross domestic product
US	United States
CAD	Current account deficit
GST	Goods and Services Tax
IIP	Index of Industrial Production
MoSPI	Ministry of Statistics & Programme Implementation
CPI	Consumer Price Index
FPI	Foreign Portfolio Investment
MMF	Manmade fiber
RMG	Ready-made garment
PLI	Production linked incentive
FDI	Foreign Direct Investment
SAMARTH	Scheme for capacity building in textile sector
RoSCTL	Rebate of State and Central Taxes and Levies
RoDTEP	Remission of Duties and Taxes on Exported Products
EPCs	Exports Promotion Councils

Conventional and General Terms or Abbreviations

Abbreviation	Full Form
A/c	Account
Act or Companies Act	The Companies Act, 1956, as amended from time to time and/ or the Companies Act, 2013, with the amendments thereto to the extent applicable.
Air Act, 1981	Air (Prevention and Control of Pollution) Act, 1981
ACIT	Assistant Commissioner of Income Tax
AGM	Annual General Meeting
ASBA	Applications Supported by Blocked Amount
AS / Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
AMT	Amount
AIF	Alternative Investment Funds registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended.
AY	Assessment Year
AOA	Articles of Association
Approx	Approximately
B. Com	Bachelor of Commerce
Bn	Billion
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction

Abbreviation	Full Form
BSE	BSE Limited (formerly known as the Bombay Stock Exchange Limited)
CDSL	Central Depository Services (India) Limited
CAGR	Compounded Annual Growth Rate
CAN	Confirmation of Allocation Note
CA	Chartered Accountant
CB	Controlling Branch
CC	Cash Credit
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
COVID-19	Coronavirus disease
CS	Company Secretary
CS & CO	Company Secretary and Compliance Officer
CFO	Chief Financial Officer
CST	Central Sales Tax
CWA/ICWA	Cost and Works Accountant
Category I foreign portfolio investor(s)	FPIs who are registered as "Category I foreign portfolio investor" under the SEBI FPI Regulations
Category II foreign portfolio investor(s)	FPIs who are registered as "Category II foreign portfolio investor" under the SEBI FPI Regulations
Category III foreign portfolio investor(s)	FPIs who are registered as "Category III foreign portfolio investor" under the SEBI FPI Regulations
Companies Act/ 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 there under
Competition Act	The Competition Act, 2002
Consolidated FDI Policy	Consolidated FDI Policy 2020 issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce, Government of India
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996
EBITDA	Earnings Before Interest, Taxes, Depreciation & Amortisation
ECS	Electronic Clearing System
EPS	Earnings Per Share
EGM /EOGM	Extraordinary General Meeting
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.
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FBT	Fringe Benefit Tax
FDI	Foreign Direct Investment
FIs	Financial Institutions
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India.
Foreign Portfolio Investor or 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.

Abbreviation	Full Form
FV	Face Value
GoI/Government	Government of India
GDP	Gross Domestic Product
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
ICWAI	The Institute of Cost Accountants of India
IMF	International Monetary Fund
INR	Indian National Rupee
IIP	Index of Industrial Production
Income Tax Act or the I.T. Act	The Income Tax Act, 1961
IT Authorities	Income Tax Authorities
IT Rules	Income Tax Rules, 1962, as amended, except as stated otherwise
IRDA	Insurance Regulatory and Development Authority
Indian GAAP	Generally Accepted Accounting Principles in India.
IPO	Initial Public Issue
ICSI	The Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
HNI	High Net Worth Individual
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
IRDA	Insurance Regulatory and Development Authority
KMP	Key Managerial Personnel
SMP	Senior Management Personnel
Ltd.	Limited
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
Mn	Million
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MAPIN	Market Participants and Investors Database
NA	Not Applicable
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
NEFT	National Electronic Funds Transfer
NECS	National Electronic Clearing System
NAV	Net Asset Value
NPV	Net Present Value
NRI	Non-Resident Indians
Non-Residents	A person resident outside India, as defined under FEMA and includes non-resident Indians, FVCIs and FPIs
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the Government as having come into effect prior to the date of this Draft Red Herring Prospectus
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
PAC	Persons Acting in Concert
P/E Ratio	Price/Earnings Ratio

Abbreviation	Full Form
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PLI	Postal Life Insurance
POA	Power of Attorney
PSU	Public Sector Undertaking(s)
Pvt.	Private
Quarter	A period of 3 (three) continuous months.
RBI	The Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934.
ROE	Return on Equity
R&D	Research & Development
RONW	Return on Net Worth
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992 as amended from time to time.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternate Investments Funds) Regulations, 2012, as amended from time to time.
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 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 (LODR) Regulations, 2015	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time
SEBI Regulations/ SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time
SEBI SBEBSE Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended from time to time
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended from time to time.
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
Sec.	Section
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.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985.
Stock Exchange	Unless the context requires otherwise, refers to, National Stock Exchange of India Limited (SME Segment).
SPV	Special Purpose Vehicle
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
TRS	Transaction Registration Slip
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
w.e.f.	With effect from
Water Act, 1974	Water (Prevention and Control of Pollution) Act, 1974
Wilful Defaulter	Wilful Defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations

Abbreviation	Full Form
-, ()	Represent outflow

Notwithstanding the following:

In the section titled “*Main Provisions of the Articles of Association*” beginning on page 210 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section.

In the section titled “*Financial Information*” beginning on page 149 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;

In the Chapter titled “*Statement of Possible Special Tax Benefits*” beginning on page 91 of the Draft Red Herring Prospectus, defined terms shall have the same meaning given to such terms in that chapter.

In the section titled “*Risk Factors*” beginning on page 29 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;

In the chapter titled “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” beginning on page 155 of this Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter.

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

Certain Conventions

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

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

In this Draft Red Herring Prospectus, the terms "we", "us", "our", the "Company", "our Company", "Neelam" and "Neelam Linens and Garments (India) Limited", unless the context otherwise indicates or implies, refers to Neelam Linens and Garments (India) Limited. 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 crore". 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.

FINANCIAL DATA

Unless stated otherwise, the financial data included in this Draft Red Herring Prospectus are extracted from the Financial Statements, for the period ended December 31, 2023 and for the Financial Year 2023, 2022 & 2021 of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations and Guidance Note on 'Reports in Company Prospectus (Revised 2019)' issued by ICAI, as stated in the report of our Statutory Auditor, as set out in the section titled "Financial Information" beginning on page 149 of this Draft Red Herring Prospectus.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places.

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

There are significant differences between Indian GAAP, IFRS and US GAAP. Our Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on our Company's financial data. Accordingly, to what extent, the financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

Unless the context otherwise indicates, any percentage amounts, as set forth in "Risk Factors", "Our Business" and 'Management Discussion and Analysis of Financial Position and Results of Operations' beginning on pages 29, 101 and 155 respectively, of this Draft Red Herring Prospectus, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the Restated Financial Statements of our Company.

CURRENCY, UNITS OF PRESENTATION AND EXCHANGE RATES

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

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

DEFINITIONS

For definitions, please refer the section titled "Definitions and Abbreviations" beginning on page 5 of this Draft Red Herring Prospectus. In the section titled "Main Provisions of Articles of Association" beginning on page 210 of this Draft Red Herring Prospectus, defined terms have the meaning given to such terms in the Articles of Association.

INDUSTRY AND MARKET DATA

Unless stated otherwise, the industry and market data and forecasts used throughout this Draft Red Herring Prospectus has been obtained from industry sources as well as Government publications. Industry sources as well as Government publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Further, the extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

EXCHANGE RATES

This Draft Red Herring Prospectus may contain conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI (ICDR) Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

Currency	As on December 31, 2023	As on March 31, 2023	As on March 31, 2022	As on March 31, 2021
1 USD	83.12	82.22	75.81	73.50

Source: www.fbil.org.in

1. All figures are rounded up to two decimals.
2. If the reference rate is not available on a particular date due to a public holiday, exchange rates of the previous working day have been disclosed.

FORWARD LOOKING STATEMENTS

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

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

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

- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Failure to successfully upgrade our product portfolio, from time to time;
- Shortage of, and price increases in, materials and skilled and unskilled employee, and inflation in key supply market;
- Failure to comply with environmental, labour, health and safety laws and regulations may affect our business;
- Changes in laws and regulations that apply to the industries in which we operate;
- Our ability to successfully implement our growth strategy and expansion plans;
- Our ability to meet our further capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Conflict of interest with affiliated companies, the promoter group and other related parties;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in government policies and regulatory actions that apply to or affect our business;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The occurrence of natural disasters or calamities;
- Our inability to maintain or enhance our brand recognition;
- The availability of finance on favorable terms for our business and for our customers;
- Projects we operate have been awarded primarily through competitive bidding process and we may not be able to qualify for, compete and win projects.
- Our Order Book may not be representative of our future results and our actual income may be significantly less than the estimates reflected in our Order Book;

For further discussions of factors that could cause our actual results to differ, please refer the sections titled “*Risk Factors*”, “*Our Business*” and ‘*Management Discussion and Analysis of Financial Position and Results of Operations*’ beginning on page 29, 101, and 155 respectively, of this Draft Red Herring Prospectus.

By their nature, certain risk disclosures are only estimates and could be materially different from what occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Forward-looking statements speak only as of this Draft Red Herring Prospectus 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. Neither our Company, our directors, the Promoters, the KMP, the SMP, the BRLM 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.

Our Company, our directors, our officers, the Book Running Lead Manager, and their respective affiliates or associates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company and the Book Running Lead Manager will ensure that Investors in India are informed of material developments from the date of filing of this Draft Red Herring Prospectus until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

SECTION II – SUMMARY OF THE ISSUE DOCUMENT

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections entitled “Risk Factors”, “Industry Overview”, “Outstanding Litigation and Material Developments”, “Our Promoters and Promoter Group”, “Financial Information”, “Objects of the Issue”, “Our Business”, “Issue Procedure” and “Main Provisions of Articles of Association” beginning on pages 29, 93, 162, 141, 149, 76, 101, 191 and 210 respectively of this Draft Red Herring Prospectus.

PRIMARY BUSINESS AND THE INDUSTRY

SUMMARY OF OUR BUSINESS

Overview

Our Company was incorporated as private limited Company under the name “Neelam Linens and Garments (India) Private Limited”, under the provisions of the Companies Act, 1956 and Certificate of Incorporation was issued by the Registrar of Companies, Mumbai on September 22, 2010. The status of the Company was changed to public limited, and the name of our Company was changed to “Neelam Linens and Garments (India) Limited” vide Special Resolution dated August 12, 2022. The fresh certificate of Incorporation consequent to conversion was issued on September 01, 2022, by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is U17299MH2010PLC208010.

Our company is based in Mumbai and its registered office is located at 446-447, 4th Floor, Shah & Nahar Industrial Estate Sitaram Jadav Marg, Lower Parel, Delisle Road, Mumbai- 400013, Maharashtra, India. Our processing facility is located at Gala No. 103, 104, 105, 106, 107 First Floor, Prithvi Complex Building No A-3, Old Agra Road, Bhiwandi, Thane- 421302, Maharashtra, India, and Gala No. 201, 202, 203, 204, 205, 206, 207 and 208, Second Floor, Prithvi Complex Building No A-3, Old Agra Road, Bhiwandi, Thane- 421302, Maharashtra India.

We operate as a soft home furnishing company based out of Maharashtra, India, extending our services to a global clientele, including USA, Australia and Far East. We specialize in the processing, finishing and supplying of bedsheets, Pillow cover, Duvet Cover, Towels, Rugs, Dohar, Shirts & Garments predominantly for discounted retail outlets. We source surplus or slightly imperfect fabric from the domestic market, applying value-added services such as designing, digital printing, dyeing, stitching, embroidery, and other enhancements. Subsequently, we distribute these refined products to discounted retail outlets in diverse countries.

We entered the apparel industry by starting an in-house production of men’s and women’s fashion apparel since 2023.

Our company also earns revenue from sale of import licenses. An import license is a governmental authorization required for the importation of goods that are not freely importable. Licenses of this form restrict the number of items entering a country to exactly the requirements of those products and the country’s customs regulations. The government primarily offers the licenses as a financial incentive to exporters, and once granted, they become commodities. Import licenses, which grant the holder the right to import goods that may be restricted or regulated, are considered a service when they are sold or transferred.

For detailed information on our business activities, please refer to section titled “Our Business” on page 101 of this Draft Red Herring Prospectus.

OVERVIEW OF INDUSTRY IN WHICH THE COMPANY IS OPERATING

TEXTILES AND INFRASTRUCTURE INDUSTRY IN INDIA

India is the world’s second-largest producer of textiles and garments. It is also the sixth-largest exporter of textiles spanning apparel, home and technical products. India has a 4.6% share of the global trade in textiles and apparel. India is the world’s 3rd largest exporter of Textiles and Apparel. The textiles and apparel industry contributes 2.3% to the country’s GDP, 13% to industrial production and 12% to exports. The textile industry has around 45 million workers employed in the textiles sector, including 3.5 million handloom workers. India’s textile and apparel exports (including handicrafts) stood at US\$ 44.4 billion in FY22, a 41% increase YoY. The Indian textile industry has made a mark in the world with its innovative and attractive products. Total textile exports are expected to reach US\$ 65 billion by FY26.

The Indian textile and apparel industry is expected to grow at 10% CAGR from 2019-20 to reach US\$ 190 billion by 2025-26. The ₹ 10,683 crore (US\$ 1.44 billion) PLI scheme is expected to be a major boost for textile manufacturers. The scheme proposes to incentivize MMF (man-made fibre) apparel, MMF fabrics and 10 segments of technical textiles products.

For detailed overview of our industry, please refer section titled “Industry Overview” on page 93 of this Draft Red Herring Prospectus.

NAME OF THE PROMOTERS

Our Company is promoted by Kantilal Jethva, and Bhavin Jethwa.

For detailed information on our Promoters and Promoter Group, please refer to section titled “*Our Promoters and Promoter Group*” on page 141 of this Draft Red Herring Prospectus.

ISSUE SIZE

Fresh Issue

Public Issue of upto 60,00,000[^] Equity Shares to be issued by our Company for cash at an Issue Price of ₹ [●] (including a premium of ₹ [●]) aggregating to ₹ [●] Lakhs, of which [●] Equity Shares will be reserved for subscription by Market Maker to the Issue. The Issue less Market Maker Reservation Portion *i.e.* Net Issue of [●] Equity Shares. The Issue and the Net Issue will constitute [●]% and [●]%, respectively of the post-Issue paid-up Equity Share capital of our Company. The Issue has been authorised by a resolution of our Board dated March 22, 2024. Our Shareholders have authorised the Issue pursuant to a special resolution dated April 13, 2024.

[^] Subject to finalization of the Basis of Allotment. Number of shares may need to be adjusted for lot size upon determination of Issue price.

Offer for Sale

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

OBJECTS OF THE ISSUE

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

Sr. No.	Particulars	Amount (₹ in Lakhs) *	% of Net Proceeds
1	Funding capital expenditure requirement of our company towards purchase of Embroidery Machines for expansion	557.41	[●]
2	Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our company	400.00	[●]
3	General corporate purposes	[●]	[●]
	Total Proceeds from the Issue	[●]	[●]

*Subject to finalization of basis of allotment

Note: The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds from the Issue.

For detailed information on the “*Objects of the Issue*”, please refer on page 76 of this Draft Red Herring Prospectus.

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

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

Sr. No.	Name of the Shareholder	No. of Equity Shares	Percentage of the pre-Issue Equity Share Capital
A)	Promoters		
1	Kantilal Jethva	12,40,000	8.38%
2	Bhavin Jethwa	81,88,000	55.32%
	Total – A	94,28,000	63.70%
B)	Promoter Group		
1	Janki Jethva	7,75,000	5.24%
2	Manjula Jethva	7,75,000	5.24%
	Total – B	15,50,000	10.48%
	Total – A+B	1,09,78,000	74.18%

SUMMARY OF RESTATED FINANCIAL STATEMENTS

The table below sets forth a summary of the Restated Financial Statements for the period ended December 31, 2023 and for the Financial

Year Ended March 31, 2023, March 31, 2022 and March 31, 2021:

(₹ in Lakhs except per share data)

Particulars	For the period ended December 31, 2023*	FY 2023	FY 2022	FY 2021
Issued, subscribed and fully paid-up share capital	1,480.00	740.00	20.00	20.00
Net Worth	2,205.28	2,102.30	1,468.42	1,169.84
Revenue from Operations	5,922.12	10,356.30	10,152.67	7,819.71
Profit After Tax	102.99	237.88	298.58	41.53
Earnings Per Share				
Basic	0.70	1.65	2.20	0.31
Diluted	0.70	1.65	2.20	0.31
Net Asset Value Per Equity Share	14.90	14.58	10.80	8.60
Total Borrowings	6,739.19	6,534.02	5,110.22	5,259.22

*Not Annualised

(1) 'Net worth' is the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

(2) Net Assets Value per equity share (₹): Net assets at the end of the respective periods divided by number of equity shares outstanding at the end of respective periods after impact of Bonus shares retrospectively. Net Assets means total assets minus total liabilities (excluding revaluation reserves).

(3) Total debt represents non-current borrowings and current borrowings including current maturities of long term borrowings.

For detailed information on the "Financial Information", please refer on page 149 of this Draft Red Herring Prospectus.

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

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

SUMMARY OF OUTSTANDING LITIGATION

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

(₹ in lakhs)

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (₹ in Lakhs)
Company						
By the Company	NA	NA	NA	NA	NA	NA
Against the Company	1	8	NA	NA	NA	1,551.27
Directors						
By the Directors	NA	NA	NA	NA	NA	NA
Against the Directors	NA	7	NA	NA	NA	189.52
Promoters						
By the Promoters	NA	NA	NA	NA	NA	NA
Against the Promoters	NA	5	NA	NA	NA	189.51
Subsidiaries						
By Subsidiaries	NA	NA	NA	NA	NA	NA
Against Subsidiaries	NA	NA	NA	NA	NA	NA
Group Companies						
By Group Companies	NA	NA	NA	NA	NA	NA
Against Group Companies	NA	NA	NA	NA	NA	NA

For further details, in relation to the legal proceedings involving our Company, our Directors, and our Promoters, please refer to the section titled "Outstanding Litigation and Material Developments" and "Risk Factors" beginning on page 162 and 29 respectively of this Draft Red Herring Prospectus.

RISK FACTORS

An investment in Equity Shares involves a high degree of risk. Potential Investors should carefully consider all the information in this Draft Red Herring Prospectus and are advised to read the section titled "Risk Factors" beginning on page 29 of this Draft Red Herring Prospectus, including the risks and uncertainties, before making/ taking an investment decision in our Equity Shares.

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

For further details, please refer the section titled “*Risk Factors*” beginning on page 29 of this Draft Red Herring Prospectus.

SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

Except as provided below. There are no contingent liabilities for the period ended December 31, 2023, and for FY 2023, FY 2022 and FY 2021. For further details, please refer to the section titled “*Financial Information*” beginning on page 149 of this Draft Red Herring Prospectus.

The Company has pending tax proceedings with Income tax Department and GST Department. The amount involved ₹ 960.50 lakhs and ₹ 1.77 lakhs as on December 31, 2023.

SUMMARY OF RELATED PARTY TRANSACTIONS (RESTATED FINANCIAL STATEMENTS)

(₹ in Lakhs)

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Transactions				
<u>Director and Key Managerial Remuneration</u>				
Mr Kantilal Jethwa	5.40	4.03	7.20	7.20
Mr Bhavin Jethwa	9.00	6.72	12.00	12.00
Janki Jethva	2.70	2.02	3.60	3.60
Manjula K Jethwa	-	1.50	6.00	6.00
Siddhi Jain	0.95	1.03	-	-
Chetan Solanki	3.00	8.00	-	-
<u>Transaction & Balances with Related Parties</u>				
<u>Loan from Directors and Relatives</u>				
<i>Kantilal Jethwa</i>				
Opening Balance	479.93	479.93	595.68	551.28
Received during the year	222.72	-	245.60	180.90
Repaid during the year	218.36	-	361.35	136.50
Closing Balance	484.29	479.93	479.93	595.68
<i>Bhavin Jethwa</i>				
Opening Balance	699.59	699.59	594.85	596.71
Received during the year	437.47	-	373.45	170.63
Repaid during the year	321.90	-	268.72	172.49
Closing Balance	815.15	699.59	699.59	594.85
<i>Janki Jethva</i>				
Opening Balance	56.35	56.35	53.63	40.93
Received during the year	-	-	6.00	39.70
Repaid during the year	10.97	-	3.28	27.00
Closing Balance	45.38	56.35	56.35	53.63
<i>Manjula K Jethwa</i>				
Opening Balance	7.20	7.20	11.67	108.18
Received during the year	-	-	440.50	330.48
Repaid during the year	21.01	-	444.97	426.99
Closing Balance	(13.80)	7.20	7.20	11.67
<i>Kantilal Jivaram Jethwa HUF</i>				
Opening Balance	-	-	-	-
Received during the year	241.00	50.00	371.98	-
Repaid during the year	241.00	50.00	371.98	-
Closing Balance	-	-	-	-
<u>Transactions with Related Parties</u>				
<i>Pradeep Internationals-</i>				
Opening Balance	-	-	-	-

Particulars	As at December 31, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Purchase made during the year	225.23	2,652.68	4,342.96	
Payment to Pradip Internationals	620.73	2,652.68	4,342.96	
Receipt from Pradip Internationals	342.14	-	-	
Closing Balance	(53.36)	-	-	
<i>Imperial Linens</i>				
Opening Balance	-	-	468.92	
Sales during the year	-	-	1,704.10	
Receipt during the year	-	-	920.58	
Receivable from Imperial Linens	-	-	1,252.44	
* Imperial linens was related party only till 31 August 2021				
<i>Balaji Enterprise</i>				
Opening Balance	37.62	110.99	-	
Purchase made during the year	183.64	76.36	111.03	
Payment to Balaji Enterprise	-	149.72	0.04	
Payable to Balaji Enterprise	221.25	37.62	110.99	
<i>Neelam Creation</i>				
Opening Balance	-	-	-	
Labour charges purchased	-	-	10.00	
Payment to Neelam Creations	-	-	10.00	
Closing Balance	-	-	-	
Rent paid/ accrued				
Rent paid/ accrued to Bhavin Jethwa	4.00			

FINANCING ARRANGEMENTS:

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

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

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

Name of the Promoter	No. of Equity Shares acquired	Weighted average price (Per Equity Share)
Kanitlal Jethva	6,20,000	NIL
Bhavin Jethwa	44,84,000	NIL

*As certified by MASD & Co. LLP, Chartered Accountants, by way of their certificate dated May 13, 2024.

For further details, refer the section titled "Capital Structure" beginning on page 61 of this Draft Red Herring Prospectus.

AVERAGE COST OF ACQUISITION OF SHARES OF THE PROMOTERS

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

Name of the Promoter	No. of Equity Shares held	Average cost of acquisition per Equity Share
Kanitlal Jethva	12,40,000	8.76
Bhavin Jethwa	81,88,000	3.39

*As certified by MASD & Co. LLP, Chartered Accountants, by way of their certificate dated May 13, 2024.

DETAILS OF PRE-IPO PLACEMENT

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

SHARES ISSUED FOR CONSIDERATION OTHER THAN CASH IN LAST ONE YEAR

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

Date of Allotment	Name of allottees	Equity Shares allotted	No. of Equity shares	Face Value (₹)	Issue Price (₹)	Reasons for allotment
June 30, 2023	Bhavin Jethwa	44,84,000	74,00,000	10	NA	Bonus Issue
	Kantilal Jethva	6,20,000				
	Manjula Jethva	3,87,500				
	Janki Jethva	3,87,500				
	Ankit Rawal	3,25,000				
	Roopal Kawa	2,10,000				
	Harshad Sheth	2,00,000				
	Rushabh Sanghavi	2,00,000				
	Chirag Shah	1,00,000				
	Falguni Jain	50,000				
	Yesha Jain	50,000				
	Hiana Jain	50,000				
	Kashish Kumar Mehta	45,000				
	Kunal Mehta	30,000				
	Rajkumar Jain	30,000				
	Sangita Thakkar	30,000				
	Bharat Ishwerlal Thakkar (HUF)	30,000				
	Sahil Thakkar	30,000				
	Nilam Shah	30,000				
	Narendra Shah	18,200				
Dharmesh Shah	16,600					
Geeta Shah	16,000					
Chintan Shah	15,000					
Jaishree Rathod	15,000					
Rajesh Sadhwani	15,000					
Pooja Shah	9,100					
Sonal Shah	6,100					

For further details, refer the chapter titled “*Capital Structure*” beginning on page 62 of this Draft Red Herring Prospectus.

SPLIT/ CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

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

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

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

SECTION III – RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a better understanding, you should read this section together with “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 101 and 155, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and prospects.

If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our cash flows, business, financial condition and results of operations could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risks where the impact is not quantifiable and hence the same has not been disclosed in such risk factors. Investment in equity and equity related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. Before making an investment decision, investors must rely on their own examination of the Issue and us.

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

- Some events may have material impact qualitatively & quantitatively;
- Some events may not be material individually but may be found material collectively; and
- Some events may not be material at present but may be having material impact in future.

Classification of Risk Factors



Internal Risk Factors

1. ***Our business predominantly focuses on bedsheets, which makes us particularly susceptible to fluctuations in demand. Any shifts in consumer preferences have the potential to significantly impact our business, as well as influence our operational outcomes and financial standing.***

Our business is highly concentrated on the sale of a single product, i.e., bedsheets. The details of the contribution of the sales of our products to our total revenue from operations are as under:

(₹ in Lakhs, except percentages)

Product Category	For period ended December 31, 2023		For fiscal year 2023		For fiscal year 2022		For fiscal year 2021	
	Revenue	% of total revenue from operations	Revenue	% of total revenue from operations	Revenue	% of total revenue from operations	Revenue	% of total revenue from operations
Bed Sheets	3,390.01	57.24	5,120.95	49.45	6,982.13	68.77	5,333.30	68.20
Pillow Pairs	294.78	4.98	353.63	3.41	521.71	5.14	497.48	6.36
Towel	75.98	1.28	78.34	0.76	121.17	1.19	136.01	1.74
Hand Towel/ Napkin	22.32	0.38	42.53	0.41	92.61	0.91	77.98	1.00
Shirts/T-shirts	15.67	0.26	-	-	-	-	-	-
RoDTEP Duty Credit Scrips / Import Licenses	2,123.36	35.85	4,760.86	45.97	2,435.05	23.98	1,774.95	22.70
Total	5,922.12	100.00	10,356.30	100.00	10,152.67	100.00	7,819.71	100.00

We specifically cater to the market of bed sheets and its sales are dependent on a number of factors such as increased competition, pricing pressures or fluctuations in the demand for or supply of our products and other factors outside our control. The number of customers demanding bedsheets may decline or not continue to increase. If we are unable to anticipate and gauge customer preferences, or if we are unable to adapt to such changes in a timely basis or at all, we may lose or fail to attract customers, our inventory may become obsolete and we may be subject to pricing pressure to sell our inventory at a discount.

2. A majority of our supplies for our operations are obtained from a limited number of suppliers.

As on December 31, 2023, we had sourced our surplus or slightly imperfect fabric from various suppliers. Our business operations require a sufficient and stable supply of fabrics. We also obtain certain finished products, for merchandising from third party Contract Manufacturers in India. Our financial performance depends largely on our ability to purchase from the sellers of such fabrics in sufficient quantities at competitive prices. We are not assured of continued provision or adequate pricing of fabrics. Our purchases of fabrics are concentrated from a few suppliers. The details of this concentration are provided in the following table:

Types of suppliers	For the period ended December 31, 2023		For year ended March 31, 2023		For year ended March 31, 2022		For year ended March 31, 2021	
	Amount of purchases of raw material	% of total purchases of raw material	Amount of purchases of raw material	% of total purchases of raw material	Amount of purchases of raw material	% of total purchases of raw material	Amount of purchases of raw material	% of total purchases of raw material
Top 10 suppliers	2,072.33	36.88%	3,250.21	32.42%	2,112.80	21.39%	2,577.54	38.61%

Our ability to remain competitive, maintain costs and profitability depend, in part, on our ability to source and maintain a stable and sufficient supply of fabrics at acceptable prices. Our raw materials include fabrics, threads and elastic. For further information, see “Our Business” beginning on page 101 of this Draft Red Herring Prospectus. We depend on external suppliers for all the raw materials required and typically purchase raw materials on a purchase order basis and place such orders with them in advance based on our projected requirements. As a result, the success of our business is significantly dependent on maintaining good relationships with our raw material suppliers. The absence of long-term supply contracts subjects us to risks such as price volatility caused by various factors viz. commodity market fluctuations, currency fluctuations, climatic and environmental conditions, transportation cost, changes in domestic as well as international government policies, regulatory changes and trade sanctions. If we cannot fully offset the increase in raw material prices with increase in the prices for our products, we will experience lower profit margins, which in turn may have a material adverse effect on our results of operations, financial condition and ultimately lead to a liquidity crunch. In the absence of such contracts, we are also exposed to the risk of unavailability of raw materials in desired quantities and qualities, in a timely manner.

Although we have not faced significant disruptions in the procurement of raw materials in the past, COVID-19 pandemic temporarily affected our ability to source raw materials from vendors who were unable to transport raw materials to us. There can thus, be no assurance that in future we will be able to procure the required quantities and quality of raw materials commensurate with our requirements. For the period ended December 31, 2023 and in Fiscal years March 31, 2023, March 31, 2022 and March 31, 2021, the cost of raw materials consumed amounts to ₹ 5,227.86 lakhs, ₹ 9,125.85 lakhs, ₹ 8,815.09 lakhs, and ₹ 7,182.98 lakhs representing 88.28%, 88.12%, 86.83% and 91.86% respectively, of our revenue from operations. There can also be no assurance that a particular supplier will continue to supply us with raw materials in the future. Any delay in supplying finished products to customers in accordance with the terms and conditions of the purchase orders, such as delivery within a specified time, as a result of delayed raw material supply,

could result in the customer refusing to accept our products, which may have an adverse effect on our business and reputation. Further, we cannot assure you of our ability to enter into fresh agreements with suppliers on terms acceptable to us, which could have an adverse effect on our ability to source raw materials in a commercially viable and timely manner as well as the commitments to our customers, which may impact our business and profitability.

Further, as we generally receive purchase orders for supply of our products to customers, we rely on historical trends and other indicators to purchase the required quantities of raw materials. We, therefore, run the risk of purchasing more raw materials than necessary, which could expose us to risks associated with prolonged storage of some of these materials, and materially affect our results of operations. Conversely, if our customers place orders for greater quantities of products compared to their historical requirements, we may not be able to adequately source the necessary raw materials in a timely manner and may not have the required processing capacity to meet such demand. In addition, if all or a significant number of our suppliers for any particular raw material are unable or unwilling to meet our requirements or if our estimates fall short of the demand, we could suffer shortages or significant cost increases. Continued supply disruptions could exert pressure on our costs, and we cannot assure you that all or part of any increased costs can be passed along to our customers in a timely manner or at all, which could negatively affect our business, overall profitability and financial performance.

3. We are dependent on a few customers for a major part of our revenues. Further we do not enter into long-term arrangements with our customers could adversely affect our business and results of operations.

Our majority of sales are concentrated to a few discounted stores as our customers and our revenue from operations from our top 1 customer, top 3 customers, top 5 customers and 10 customers for the period ended December 31, 2023 and as in Fiscal 2023, Fiscal 2022 and Fiscal 2021 is set out below:

For sale of products:

(except percentages, amount in ₹ lakhs)

Particular	For period ended December 31, 2023		For Year ended March 31, 2023		For year ended March 31, 2022*		For year ended March 31, 2021	
	Revenue	In %*	Revenue	In %*	Revenue	In %*	Revenue	In %*
Top 1 customer	2,511.53	42.41	3,724.55	35.96	3,928.73	38.70	2,518.75	32.21
Top 3 customers	3,305.63	55.82	4,606.51	44.48	7,132.74	70.25	5,257.49	67.23
Top 5 customers	3,506.78	59.22	5,244.03	50.64	7,471.89	73.60	5,536.62	70.80
Top 10 customers	3,730.58	62.99	5,549.51	53.59	7,654.04	75.39	5,843.81	74.73

*the % are arrived by dividing it with total revenue from operations.

For sale of Licenses:

(except percentages, amount in ₹ lakhs)

Particular	For period ended December 31, 2023		For Year ended March 31, 2023		For year ended March 31, 2022*		For year ended March 31, 2021	
	Revenue	In %*	Revenue	In %*	Revenue	In %*	Revenue	In %*
Top 1 customer	1,963.11	33.15	2,177.44	21.03	699.88	6.89	929.62	11.89
Top 3 customers	2,123.36	35.85	4,566.76	44.10	1,506.24	14.84	1,473.96	18.85
Top 5 customers	-	-	4,737.67	45.75	1,973.64	19.44	1,725.51	22.07
Top 10 customers	-	-	4,760.86	45.97	2,435.05	23.98	1,774.95	22.70

*the % are arrived by dividing it with total revenue from operations.

We presently do not have any long-term or exclusive arrangements with any of our customers and we cannot assure you that we will be able to sell the quantities we have historically supplied to such customers. In the event our competitors' products offer better margins to such customers or otherwise incentivize them, there can be no assurance that our customers will continue to place orders with us. Most of our transactions with our customers are typically on a purchase order basis without any commitment for a fixed volume of business. There can also be no assurance that our customers will place their orders with us on current or similar terms, or at all. Further, our customers could change their business practices or seek to modify the terms that we have customarily followed with them, including in relation to their payment terms. While we negotiate product prices and payment terms with our customers, in the event our customers alter their requirements, it could have a material adverse effect on our business growth and prospects, financial condition, results of operations and cash flows. In addition, our customers may also cancel purchase orders at short notice or without notice, which could

have an impact on our inventory management. In the event of frequent cancellations of purchase orders, the same could have a material adverse effect on our business, financial condition, results of operations and cash flows.

In the event our customers experience any delays in placing orders with us, or if they prefer to buy the products of our competitors, it could have a material adverse effect on our business growth and prospects, financial condition, results of operations and cash flows. Our inability to maintain our existing customer network could have a negative impact on our sales, business growth prospects, result in slowdown of operation, financial conditions and cash flows. Further, the performance of our customers, their sales network and their ability to expand their businesses are crucial to the future growth of our business and directly affect our sales volume and profitability. If our relationships with our customers are affected, our profitability could be significantly affected.

4. A significant portion of our sales are derived from India and any adverse developments in this market could adversely affect our business.

Set forth below is certain information on our geography-wise revenue from operations for the periods indicated:

(except percentages, amount in ₹ lakhs)

Region/ Countries	Revenue			
	For the period ended December 31, 2023	For Fiscal Year 2023	For Fiscal Year 2022	For Fiscal Year 2021
Domestic sales	3,157.58	6,683.12	5,512.83	3,909.27
USA	2,718.00	3,488.95	4,639.84	3,766.22
Australia	46.54	184.24	-	144.22
Burundi (Africa)	-	10.31	-	-
Total	5,922.12	10,356.30	10,152.67	7,819.71

We have historically derived a significant portion of our revenue from sales in India. For the period ended December 31, 2023, in Fiscal 2023, 2022 and Fiscal 2021 the revenue generated from sales in India represented 3,157.58 lakhs, 6,683.12 lakhs, 5,512.83 lakhs and 3,909.27 lakhs respectively of our revenue from operations. Accordingly, any materially adverse social, political or economic development, natural calamities, civil disruptions, regulatory developments or changes in the policies of the state or local government in this region could adversely affect our processing and distribution activities, result in modification of our business strategy or require us to incur significant capital expenditure, which will in turn have a material adverse effect on our business, financial condition, results of operations, and cash flows. Further, our sales from this region may decline as a result of increased competition, regulatory action, pricing pressures, fluctuations in the demand for or supply of our products or services, or the outbreak of an infectious disease such as COVID-19. Our failure to effectively react to these situations or to successfully introduce new products or services in these markets could adversely affect our business, prospects, results of operations, financial condition, and cash flows. The occurrence of, or our inability to effectively respond to, any such events or effectively manage the competition in the region, could have an adverse effect on our business, results of operations, financial condition, cash flows and future business prospects.

5. Our Company and the promoters do not have enough documentary evidence for the Capital Built-up of our Company.

Our Company is unable to trace all documents evidencing their capital built-up. Except Share Certificates with allotment details, Kantilal Jethva and Bhavin Jethwa are unable to trace any documentary evidence for allotments dated May 13, 2011, March 02, 2012 and March 06, 2012. Due to lack of documents and relevant information, we have relied on Allotment Register and Share Certificate available. The same is confirmed by M/s MASD & Co. LLP, Chartered Accountants vide their certificate dated May 13, 2024 in this regard. Our company has also filed an application for compounding regarding the same. For further details, please refer to the chapter titled “Capital Structure” beginning on page 62 of this Draft Red Herring Prospectus.

6. We have only one production unit that is located in Bhiwandi and any localized social unrest, natural disaster or breakdown of services or any other natural disaster in and around Ahmednagar or any disruption in production at, or shutdown of, our production unit could have material adverse effect on our business and financial condition.

As on the date of this Draft Red Herring Prospectus, our production unit is located within the state of Maharashtra, India. Our processing operations and consequently our business is dependent upon our ability to manage this unit, which are subject to operating risks, including those beyond our control. In the event of any disruptions at our unit, due to natural or man-made disasters, workforce disruptions, delay in regulatory approvals, fire, failure of machinery, lack of continued access to assured supply of electrical power and water at reasonable costs, changes in the policies of the states or local government or authorities or any significant social, political or economic disturbances or civil disruptions in and around Bhiwandi, Thane, Maharashtra our ability to produce our products may be adversely affected.

Disruptions in and around our unit could delay production or require us to shut down the unit. Any contravention of or non-compliance with the terms of various regulatory approvals applicable to the unit may also require us to cease or limit production until such non-compliance is remedied to the satisfaction of relevant regulatory authorities. We cannot assure you that we will not experience work

disruptions in the future resulting from any dispute with our employees or other problems associated with our employees and the labour involved in our unit, which may hinder our regular operating activities and lead to disruptions in our operations, which could adversely affect our business, prospects, financial condition, cash flows and results of operations.

Further, any materially adverse social, political or economic development, civil disruptions, or changes in the policies of the state government or state or local governments in this region could adversely affect our processing operations, 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 continuous operations at our processing facility could result in significant loss due to an inability to meet customer contracts and production schedules, which could materially affect our business reputation within the industry. The occurrence of our inability to effectively respond to, any such events or effectively manage the competition in the region, could have an adverse effect on our business, results of operations, financial condition, cash flows and future business prospects. Further, the spiralling cost of living around our processing facility may push our manpower costs higher, which may reduce our margin and cost competitiveness.

7. *Our success depends on third party logistics and transportation infrastructure. Disruption of logistics and transportation services could impair the ability of our suppliers to deliver raw materials or our ability to deliver products to our customers and/ or increase our transportation costs, which may adversely affect our operations.*

We utilize third party transportation services by road, air or water for transport of raw materials and our products from/ to our suppliers and customers. Further, we rely on the freight ships for the transport of exporting our products. Transportation by rail, road, air or ship, as the case may be, involves risks, including, collision, grounding, storm, fire, explosion, lightning, political instability, allotment of rakes, allotment of berths for cargo ships for our imports and operating restrictions/ lockdown consequent to outbreak of infectious diseases, such as the COVID - 19 pandemic. Any delay or disruption caused to the transportation of raw materials or our products could adversely impact our ability to procure the raw materials as well as to meet the delivery schedule of our products in an economical manner. To ensure timely delivery of our products, we may also be required to maintain relatively high level of inventory of raw materials and this may also resultantly increase our cost.

Further, disruptions of the logistics and transportation services on account of weather-related problems, strikes, operating restrictions/ lockdown consequent to outbreak of infectious diseases, such as the COVID-19 pandemic or other events could impair the ability of our suppliers to deliver raw materials or us to deliver the products to our customers, this significant increase in transportation costs may have an adverse impact on our operations.

8. *If we are unable to maintain an optimal level of inventory, our business, results of operations and financial condition may be adversely affected.*

The success of our business depends upon our ability to anticipate and forecast customer demand and trends. Any error in our forecast could result in either surplus stock, which we may not be able to sell in a timely manner, or at all, or under stocking, which could affect our ability to meet customer demand. In the event of overstocking, there exists a potential risk of inventory damage arising from the surplus quantities, as excessive stockpiling may lead to unfavourable storage conditions, deterioration, or depreciation of the goods. An optimal level of inventory is important to our business as it allows us to respond to customer demand effectively and to maintain a full range of products at our stores. We plan our inventory and estimate our sales based on the forecast, demand and requirements for the forthcoming seasons. We have inventory stored at our stores ahead of an upcoming season.

Based on the Restated Financial Statements, for the period ended December 31, 2023 and as of March 31, 2023, 2022 and 2021, our inventory as a percentage of our current assets was 54.50%, 60.54%, 64.45% and 62.10%, respectively, while our inventory as a percentage of revenue from operations was 88.23%, 46.67%, 38.74% and 37.11%, respectively in such periods. Based on the Restated Financial Statements, our total payables for the period ended December 31, 2023 and in Fiscal 2023, 2022 and 2021 was ₹ 1,967.61 Lakhs, ₹ 1,178.02 Lakhs, ₹ 1,176.07 Lakhs and ₹ 17.12 Lakhs respectively, and represented 33.22%, 11.37%, 11.58% and 0.22%, respectively, of our revenue from operations in such periods.

For further information, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Changes in Inventories of Finished Goods & Work-in-Progress*” on page 155.

While we aim to avoid under-stocking and over-stocking, our estimates and forecasts may not always be accurate. If we fail to accurately forecast customer demand, we may experience excess inventory levels or a shortage of products available for sale. If we under-stock inventory, our ability to meet customer demand may be impaired. If we overstock inventory, our capital requirements may increase and we may incur additional financing and storage costs. Any unsold inventory may have to be sold at cost price or lower than cost price or discarded, potentially leading to losses. We cannot assure you that we will be able to sell surplus stock in a timely manner, or at all, which in turn may adversely affect our business, results of operations and financial condition.

9. *Our business is exposed to foreign exchange rate related fluctuations.*

Our business is exposed to foreign exchange rate fluctuations as a significant portion of our business is received in US Dollars while operating in countries such as United States of America, Australia and Burundi (Africa). Investors should carefully consider the following risk associated with currency rate fluctuations when evaluating investment decisions. Fluctuations in currency exchange rates, particularly between the US Dollar and the local currencies in which we operate, can have a significant impact on our financial performance. Changes in exchange rates can affect the value of our income, expenses, assets, and liabilities denominated in foreign currencies when translated into the reporting currency. This volatility can lead to unpredictable revenue and profitability variations, potentially affecting our overall financial stability. As we receive a substantial portion of our income in US Dollars, currency rate fluctuations can influence the value of our revenues. If the local currency depreciates against the US Dollar, our reported revenues in the local currency may decrease, even if the actual sales volume remains constant. Similarly, fluctuations in exchange rates can impact the conversion of our costs and expenses, potentially affecting our profitability. In countries where we operate, there may be restrictions or regulations regarding the repatriation of funds or foreign currency exchange. These restrictions can impact our ability to convert and transfer funds across borders, limiting our flexibility in managing cash flows, making necessary investments, or repatriating profits to our parent company or shareholders. Currency rate fluctuations can complicate financial reporting and performance evaluation. When preparing financial statements, the translation of financial results from various currencies into a single reporting currency can be affected by currency rate changes. This can make it challenging to accurately assess the financial performance and compare results over time.

10. Our registered office and processing facility are located on leave and licensed premises and consequently, we are required to comply with certain requirements given under leave and license agreements.

Our registered office and processing facility are currently situated on leave and licensed premises, it is contingent upon compliance with specific regulations; failure to meet these requirements may grant the licensor the right to terminate the leave and license agreement. We cannot guarantee the uninterrupted renewal of the leave and license agreement in the future, and there exists a possibility that our Company may face challenges in securing alternate locations promptly if termination occurs. Further, we may be required to renegotiate terms and conditions of such premises during their tenure. In the event of termination, we may be compelled to vacate the premises on short notice, further complicating our ability to find suitable alternatives swiftly. Occurrence of any of the above events may have a material adverse effect on our business, results of operations and financial condition.

11. Our production processes depend on the outsourcing of dyeing services, and we operate without any agreements. Any inability to obtain sufficient quantities of products 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, cash flows, results of operations and financial condition.

For a large portion of our products, we engage third-party entities to provide such products on our behalf on a contract basis. Dyeing process for our products is outsourced by our company to third-party entities. We rely on these third party entities to provide us with an uninterrupted supply of some of our products. However, we cannot assure you that they will do so in a timely manner, or if at all. While we have long-term relationships with certain of these entities, they 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 these entities, 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. Conversely, due to increased customer demand for our products, we may need to obtain more products from more of these entities, and any inability to do so may render us unable to execute our growth strategy.

The manufacturing facilities of our third party entities may be subject to operating risks, such as performance below expected levels of efficiency, excessive wastage of raw materials, delays in production of our finished products, decrease in quality of products made, labour disputes, natural disasters, industrial accidents, interruptions in power supply and statutory and regulatory restrictions. Any non-compliance by our third party entities with the applicable laws which may result in a shutdown of their facilities, could result in the delay or non-availability of the delivery of our products, as well as negative publicity which in turn may adversely affect our brand image. Additionally, prolonged business disruptions could result in a loss of customers. If we are unable to make available our products in a prompt, our business, cash flows, results of operations and financial condition may be adversely affected.

12. We face numerous protective trade restrictions, including anti-dumping laws, countervailing duties and tariffs, which could adversely affect our revenue from exports.

Protectionist measures, including anti-dumping laws, countervailing duties and tariffs and government subsidization adopted or currently contemplated by governments in some of our export markets could adversely affect our sales from exports. Antidumping duty proceedings or any resulting penalties or any other form of import restrictions may limit our access to export markets for our products, and in the future additional markets could be closed to us as a result of similar proceedings, thereby adversely impacting our sales from exports or limiting our opportunities for growth.

Tariffs are often driven by local political pressure in a particular country and therefore there can be no assurance that quotas or tariffs will not be imposed on us in the future. In the event that such protective trade restrictions are imposed on us, our imports and exports could decline. Further, a decrease in exports from India or an increase in aluminium imports to India as a result of protective trade restrictions could have a negative impact on our business, financial condition and results of operations.

13. We have experienced negative cash flows in relation to our operating, investing and financing activities in the last three financial years. Any negative cash flows in the future would adversely affect our results of operations and financial condition

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its 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 flow, it may adversely affect our business and financial operations. We experienced negative cash flows in some of the following periods as indicated in the table below:

(₹ in Lakhs)

Particulars	As at December 31, 2023	For the period ended March 31, 2023	For the period ended March 31, 2022	For the period ended March 31, 2021
Net cash used/ generated from operating activities	179.88	(1,112.49)	582.15	1,972.50
Net cash used/ generated from investing activities	111.52	(290.41)	(78.86)	(716.68)
Net cash used/ generated from financing activities	(208.90)	1,373.64	(452.55)	(2,291.28)
Net increase/ (decrease) in cash and cash equivalent	82.49	(29.26)	50.74	(1,035.45)

There can be no assurance that our net cash flows shall be positive in the future. Any negative cash flows in the future over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our cash flows, business, future financial performance and results of operations could be materially and adversely affected. For further details, see “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 149 and 155, respectively.

14. There have been instances in the past where we have not made certain regulatory filings with the RoC and there were certain instances of discrepancies in relation to certain statutory filings and corporate records of our Company.

In the past, there have been certain instances of delays in filing statutory form such as MGT-14, PAS-6, Form 20B, Form 23AC, 20ACA, Form 66, AOC-4, MGT-7 as per the reporting requirements under the Companies Act, which have been subsequently filed by payment of an additional fee as specified by RoC. Also, there are no clerical error These clerical errors were not substantial in nature and the concerned ROC has not issued any show-cause notice in respect to the above has been received by our Company till date and except as stated in this Draft Red Herring Prospectus, no penalty or fine has been imposed by any regulatory authority in respect to the same. The said documents can be retrieved at the registered office of our Company. It cannot be assured, that there will not be such instances in the future, or our Company will not commit any further delays or defaults in relation to its reporting requirements, or any penalty or fine will not be imposed by any regulatory authority in respect to the same. The happening of such event may cause a material effect on our results of operations and financial position of our company.

15. There have been some instances of delays in filing of statutory and regulatory dues in the past with the various government authorities.

In the past, there have been certain instances of delays in filling statutory & regulatory dues with respect to GSTR 1, GSTR 3B, TDS, Tax Liabilities, ESIC and EPF. These delays were majorly due to Following reasons:

GST: As the company is into the export business, on many incidents it takes time to update shipping bill of our export on DGFT website, so we file GST returns after all the bills are updated on the website of Government.

PF/ESIC- There were some instances of delayed filing of PF/ESIC on some instances for which company has taken the corrective measures and currently the same is on track and is filed on time.

TDS: There were some instances of delayed filing of TDS on some instances because of the delay in receipt of the PAN details of the labours working in the company for which company has taken the corrective measures and currently the same is on track and is filed on time.

As result, the Company has filed returns and payment with delay penalty. However, the Board of Directors of our company has taken note of these delays in fulfilling our statutory and regulatory obligations. There can be no assurance that delays or default with respect to payment of statutory and regulatory dues will not occur in the future which in turn may affect our reputation and financial results.

A. Default in filing Goods and Service Tax GSTR 1:

Financial Year	Tax Period	Due Date	Date of Filing	Delay in Number of Days
2022-23	April	11-May-22	31-May-22	20
2022-23	May	11-Jun-22	24-Jun-22	13
2022-23	June	11-Jul-22	29-Jul-22	18
2022-23	July	11-Aug-22	24-Aug-22	13
2022-23	August	11-Sep-22	13-Oct-22	32
2022-23	September	11-Oct-22	02-Nov-22	22
2022-23	October	11-Nov-22	21-Nov-22	10
2022-23	November	11-Dec-22	06-Jan-23	26
2022-23	December	11-Jan-23	24-Jan-23	13
2022-23	January	11-Feb-23	02-Mar-23	19
2022-23	February	11-Mar-23	29-Mar-23	18
2022-23	March	11-Apr-23	28-Apr-23	17
2023-24	April	11-May-23	24-May-23	13
2023-24	May	11-Jun-23	26-Jun-23	15
2023-24	June	11-Jul-23	28-Jul-23	17
2023-24	August	11-Sep-23	27-Sep-23	16
2023-24	September	11-Oct-23	26-Oct-23	15
2023-24	October	11-Nov-23	29-Nov-23	18

B. Default in filing Goods and Service Tax GSTR 3B (Delay in discharging of liability)

Financial Year	Tax Period	Due Date	Date of Filing	Delay in Number of Days
2022-23	April	20-May-22	31-May-22	11
2022-23	May	20-Jun-22	24-Jun-22	4
2022-23	June	20-Jul-22	29-Jul-22	9
2022-23	July	20-Aug-22	24-Aug-22	4
2022-23	August	20-Sep-22	13-Oct-22	23
2022-23	September	20-Oct-22	02-Nov-22	13
2022-23	October	20-Nov-22	21-Nov-22	1
2022-23	November	20-Dec-22	06-Jan-23	17
2022-23	December	20-Jan-23	24-Jan-23	4
2022-23	January	20-Feb-23	02-Mar-23	10
2022-23	February	20-Mar-23	29-Mar-23	9
2022-23	March	20-Apr-23	28-Apr-23	8
2023-24	April	20-May-23	24-May-23	4
2023-24	May	20-Jun-23	26-Jun-23	6
2023-24	June	20-Jul-23	28-Jul-23	8
2023-24	August	20-Sep-23	27-Sep-23	7
2023-24	September	20-Oct-23	26-Oct-23	6
2023-24	October	20-Nov-23	29-Nov-23	9
2023-24	November	20-Dec-23	27-Dec-23	7
2023-24	December	20-Jan-24	26-Jan-24	6
2023-24	January	20-Feb-24	23-Feb-24	3

C. C. Default in filing and Payment of TDS

FY 2022-23

Default Summary Details

Quarter	Form Type	Type of Default	Amount (in lakhs)
Q4	26Q	Interest on late payment	0.98
		Late filing levy	0.80
Q4	27EQ	Interest on late payment	0.03
		Late filing levy	0.11

Delay in TDS Payment

Section	Total liability of FY 2022-23 Amount (in lakhs)	Total paid Amount (in lakhs)	Date of deposit
94C	4.70	4.70	21-Jun-23
94H	0.55	0.53	21-Jun-23
94I	3.23	2.94	21-Jun-23
94J	4.36	4.36	21-Jun-23
94Q	1.94	1.94	03-Jul-23

FY 2023-2024

The TDS returns is not filed in any quarter for the FY 2023-24 and also no payment has been made for the monthly liability of the TDS in the FY 2023-24.

D. Default in filing Income Tax Return

Assessment Year	Due Date	Date Of Filing Return	Delay in Number of Days	Total Interest and Fees (234a, 234b, 234c and 234f) Amount (in lakhs)
2022-23	31-Oct-22	29-Dec-22	59	39.19
2023-24	31-Oct-23	30-Dec-23	60	12.10

E. Undisputed Tax Liabilities

Name of the statute	Nature of dues (including interest and penalty, as the case may be)	Amount (in lakhs)	Period to which the amount relates
Goods and Service Tax	Tax, Interest and Penalty	1.77	FY 2019-20
Income Tax	Tax, Interest and Penalty	529.42	FY 2016-17
Income Tax	Tax, Interest and Penalty	4.07	FY 2015-16
Income Tax	Tax, Interest and Penalty	18.05	FY 2018-19
Income Tax	Tax, Interest and Penalty	30.30	FY 2017-18
Income Tax	Tax, Interest and Penalty	169.58	FY 2021-22

F. Disputed Tax Liabilities

Name of the statute	Nature of dues (including interest and penalty, as the case may be)	Amount (in lakhs)	Period to which the amount relates
Income Tax	Tax, Interest and Penalty	209.07	FY 2019-20

G. Delay in Payment of Employee's State Insurance Corporation (ESIC)

FY 2022-2023

Month	Due Date	Date of Payment
Apr-22	15-May-22	05-Apr-23
May-22	15-Jun-22	05-Apr-23
Jun-22	15-Jul-22	05-Apr-23
Jul-22	15-Aug-22	05-Apr-23
Aug-22	15-Sep-22	05-Apr-23
Sep-22	15-Oct-22	05-Apr-23
Oct-22	15-Nov-22	05-Apr-23
Nov-22	15-Dec-22	05-Apr-23
Dec-22	15-Jan-23	05-Apr-23
Jan-23	15-Feb-23	05-Apr-23
Feb-23	15-Mar-23	No data available
Mar-23	15-Apr-23	No data available

FY 2023-2024

Month	Due Date	Date of Payment
Apr-23	15-May-23	No data available
May-23	15-Jun-23	No data available
Jun-23	15-Jul-23	No data available
Jul-23	15-Aug-23	No data available
Aug-23	15-Sep-23	No data available
Sep-23	15-Oct-23	No data available
Oct-23	15-Nov-23	No data available
Nov-23	15-Dec-23	26-Dec-23
Dec-23	15-Jan-24	15-Jan-24
Jan-24	15-Feb-24	21-Feb-24
Feb-24	15-Mar-24	28-Mar-24

**H. Delay in Payment of Employee's Provident Fund (EPF)
FY 2022-2023**

Month	Due Date	Date of Payment
Apr-22	15-May-22	27-Feb-23
May-22	15-Jun-22	27-Feb-23
Jun-22	15-Jul-22	27-Feb-23
Jul-22	15-Aug-22	27-Feb-23
Aug-22	15-Sep-22	27-Feb-23
Sep-22	15-Oct-22	27-Feb-23
Oct-22	15-Nov-22	27-Feb-23
Nov-22	15-Dec-22	27-Feb-23
Dec-22	15-Jan-23	27-Feb-23
Jan-23	15-Feb-23	No data available
Feb-23	15-Mar-23	No data available
Mar-23	15-Apr-23	No data available

FY 2023-2024

Month	Due Date	Date of Payment
Apr-23	15-May-23	09-Nov-23
May-23	15-Jun-23	09-Nov-23
Jun-23	15-Jul-23	09-Nov-23
Jul-23	15-Aug-23	09-Nov-23
Aug-23	15-Sep-23	09-Nov-23
Sep-23	15-Oct-23	09-Nov-23
Oct-23	15-Nov-23	15-Nov-23
Nov-23	15-Dec-23	26-Dec-23
Jan-24	15-Feb-24	21-Feb-24
Feb-24	15-Mar-24	28-Mar-24

16. We are involved in certain legal proceedings, which, if determined adversely, may affect our business and financial condition.

As on the date of filing this Draft Red Herring Prospectus, there are outstanding legal proceedings initiated by or against our Company, Promoters and Directors that are incidental to our business and operation. A summary of outstanding litigation proceedings involving our Company, our promoters, and our directors as on the date of this Draft Red Herring Prospectus is provided below:

(₹ in Lakhs)

Nature of Cases	Number of outstanding cases	Amount Involved
Litigation involving our Company		
Criminal proceedings	1	NA
Material civil litigation	NA	NA
Actions by statutory or regulatory Authorities	NA	NA

Nature of Cases	Number of outstanding cases	Amount Involved
Direct and indirect tax proceedings	8	1,551.27
<i>Litigation involving our Directors</i>		
Criminal proceedings	NA	NA
Material civil litigation	NA	NA
Actions by statutory or regulatory authorities	NA	NA
Direct and indirect tax proceedings	7	189.52
<i>Litigation involving our Promoters</i>		
Criminal proceedings	NA	NA
Material civil litigation	NA	NA
Actions by statutory or regulatory authorities	NA	NA
Direct and indirect tax proceedings	5	189.51

For further details on the outstanding litigation proceedings, please see “*Outstanding Litigation and Material Developments*” on page 162 of the Draft Red Herring Prospectus.

17. We may not purchase Machineries from dealers/Suppliers mentioned in this Draft Red Herring Prospectus.

Our company intends to utilize fund from the issue proceeds for purchase of machineries. We have received quotations from various dealers/Suppliers as mentioned in the Chapter titled “*Objects of the issue*” beginning on page 76 of this Draft Red Herring Prospectus. However, Company may not purchase from said dealers/Suppliers and actual price of the machineries may vary at the time of purchase, which could adversely affect our results of operations and financial condition.

18. We have not received “No Objection certificate” (NOC) from one of the secured lenders of our company.

We have three secured loans that is from Axis Bank, SBI and Citizen Credit Co-operative Bank Ltd and we have received the NOC from two of the above banks i.e. SBI and Citizen Credit Co-operative Bank Ltd. We have applied for NOC from Axis Bank but the same is yet to be received as on the date of the Draft Red Herring Prospectus. We cannot assure you that our lender will grant us the NOC for this Issue. Non-receipt of such NOC may take objection to this public issue by putting certain conditions to secure their outstanding dues or may ask to repay the outstanding dues subsequent to/ during the Public Issue and may enter into litigation with the Company which may affect financial cash flows and financial performance of our Company. However, our company does not foresee such objection from lender.

19. We have entered into and may continue to enter into related party transactions and there can be no assurance that such transactions have been on favourable terms.

We have entered into certain transactions with related parties may continue to do so in future. While our Company believes that all such transactions have been conducted on arms-length basis and is in compliance with the Companies Act and other applicable laws, there can be no assurance that it could not have been achieved on more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that our company will enter into related party transactions also in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details, please refer to “*Annexure 29 - Related Party Transactions*” of restated financials under section titled “*Financial Information*” on page 149 of this Draft Red Herring Prospectus.

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

As per SEBI (ICDR) Regulations, 2018 appointment of monitoring agency is required only for Issue size above ₹ 10,000 Lakhs. Hence, we have not appointed a monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds. Further, our Company shall inform about material deviations, if any in the utilization of Issue proceeds to NSE and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

21. Our Company being in the wholesale sector, requires high working capital for our smooth day to day operations of business and any discontinuance or our inability to acquire adequate working capital timely and on favorable terms may have an adverse effect on our operations, profitability and growth prospects.

As our business forms part of the wholesale sector, we require a significant amount of working capital. Majority part of our working capital is utilized towards purchasing our raw materials. Our company’s net working capital consisted of ₹ 4,265.90, ₹ 3,710.12, ₹ 2,385.15 and ₹ 1,812.68 lakhs for the financial year ended 2021, 2022, 2023 and for the period ended December 31, 2023, respectively.

As on December 31, 2023, we finance our working capital requirements from borrowings and internal accruals. Since the wholesale sector is working capital intensive, we have a lot of fixed expenditures for operation of maintenance of optimum inventory levels. Inability on our part to maintain sufficient cash flows, credit facilities and other sources of funds, in a timely manner, or at all, to meet our working capital requirements or pay our debts, may adversely affect our financial conditions and results of operations. For further details, see “*Financial Indebtedness*” on page 152.

Additionally, the amount of our future working capital requirements will vary basis the estimates of various factors, including, cost overruns, unprecedented expenses, regulatory changes, economic conditions, new developments and opportunities in the industry, which may consequently result in short-term borrowings in the future. Due to such factors, our requirement for working capital may increase in the future, which may adversely affect our business and results of operations.

22. *The BRLM has relied on the signed resume to verify and include the details of the educational qualifications in the Draft Red Herring Prospectus.*

Few of our Directors, KMPs and SMPs are unable to trace copies of documents pertaining to their educational qualifications and experience and have not provided documents. Accordingly, reliance has been placed on signed resume furnished by the Directors to the Book Running Lead Manager to disclose details of their educational qualifications and experience in this Draft Red Herring Prospectus.

Manish Kamalia who is the Non- Executive Independent Director of our Company is not able to trace its educational qualification and his experience in sales, business development and being a proficient scrum Master, and has provided a signed resume with respect to its educational qualification and experience. Similarly, Kantilal Jethva, who is the Whole-Time Director of the Company is not able to trace the experience letter with respect to his experience in Trend Setter Textile Company for 20 years as consultant of manufacturing of mad ups. Pooja Sawant who is the Merchandiser of our Company is not able to trace the documents related to her experience. Accordingly, the Book Running Lead Manager has 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, KMPs and SMPs will be able to trace the relevant documents or provide accurate and complete details pertaining to the above information in the future, or at all.

23. *We have issued Equity Shares during the last one year at a price that may be below the Issue Price.*

During the last one year we have issued Equity Shares at a price that may be lower than the Issue Price:

Date of Allotment	No. of Equity shares allotted	Face Value per Equity shares (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment
June 30, 2023	74,00,000	10	NA	Other than Cash	Bonus Issue

For further details, please refer to the chapters “*Capital Structure*” beginning on page 62 of this Draft Red Herring Prospectus.

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

Our contingent liability as on December 31, 2023, was ₹ 1,074.15 lakhs. If this contingent liability materializes, fully or partly, the financial condition of our Company could be affected.

For more information, regarding our contingent liabilities, please refer “*Annexure 32*” in chapter titled “*Financial Information of the Company*” beginning on page 149 of this Draft Red Herring Prospectus.

25. *We may not be successful in implementing our business strategies.*

The success of our business depends substantially on our ability to implement our business strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted stakeholders. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

26. *Our Company has unsecured loans with a total outstanding amount of ₹ 3,158.74 lakhs as of December 31, 2023, that may be recalled by the lenders at any time.*



Our Company has currently availed certain unsecured loans. The total outstanding amount of the unsecured loan as of December 31, 2023, was ₹ 3,158.74 lakhs. These loans may be recalled by the lenders at any time. 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 and this may affect our Company's liquidity. As a result, any such demand may materially and adversely affect our business, cash flows, financial condition and results of operations. For further details of these unsecured loans, please refer to Chapter titled "Restated Financial Statements" beginning on page 149 of this Draft Red Herring Prospectus.

27. Our success depends heavily upon our individual Promoters and Directors for their continuing services, strategic guidance and financial support.

The success of the company depends heavily upon the continuing services of individual promoters & directors who are the natural person and in control of the Company. The Company believes that our promoters have invaluable experience that has helped the Company expand its business into multiple segments of the soft home furnishing industry. The company benefits from its relationship with its Promoters and the success of the company depends upon the continuing services of Promoters who have been responsible for the growth of business and are closely involved in the overall strategy, direction and management of business.

28. Our logo  is not registered with the trademark registration authority, and we may be unable to protect our logo from being infringed by others which may adversely affect our business value, financial condition and results of operations.

As on the date of this Draft Red Herring Prospectus, we have not yet obtained registration from the Trademark Registration Authority for our logo. We have made application for  registering the same before the Registrar of Trademarks under the Trademarks Act, 1999. If we are unable to get our  logo registered with the trademark authorities then, our Company may not be able to successfully enforce or protect our intellectual property rights and obtain statutory protections available under the Trademarks Act, 1999, as otherwise available for registered trademarks in future could have a material adverse effect on our business and goodwill, which in turn could adversely affect our results of operations. Further, there can be no assurance that third parties will not infringe upon our intellectual property, causing damage to our business prospects, reputation and goodwill. Our efforts to protect our intellectual property may not be adequate and may lead to erosion of our business value and our operations could be adversely affected. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect its intellectual property, which could adversely affect our business, results of operations and financial condition. For further details, please refer to the chapters titled "Our Business" and "Government and other Statutory Approvals" on pages 101 and 168, respectively of this Draft Red Herring Prospectus.

29. Information relating to the installed production capacity and capacity utilization of our production units included in this Draft Red Herring Prospectus are based on various assumptions and estimates and future production and capacity may vary.

Information relating to the installed production capacity and capacity utilization of our units included in this Draft Red Herring Prospectus are based on various assumptions and estimates of our management that have been considered by an independent chartered engineer while calculating the installed production capacity of, and actual production volumes at, our units. The assumptions and estimates include the standard capacity calculation practices of the industry after examining the period during which the units were operational during the year, the expected operations, availability of raw materials, downtime resulting from scheduled maintenance activities, unscheduled breakdowns, as well as expected operational efficiencies, and taking into account the number of working days in a year, number of days in a month, number of shifts in a day and average number of batches per day. Actual production capacity, production levels and utilization rates may therefore vary from the information of our units included in this Draft Red Herring Prospectus or from the historical installed production capacity information of our units depending on the product type. Accordingly, undue reliance should not be placed on our historical installed capacity information for our existing facilities included in this Draft Red Herring Prospectus.

30. Our Promoters and Promoter Group will be able to exercise significant influence and control over our operations after the issue and may have interests that are different from those of our other shareholders.

As of the date of this Draft Red Herring Prospectus, our Promoters and Promoter Group collectively hold 74.18% of our issued and outstanding equity share capital. Post the issue, our Promoters and Promoter Group will continue to hold [●]% of our issued and outstanding Equity Share capital. By virtue of their shareholding, our Promoters and Promoter Group will have the ability to exercise significant control and influence over our affairs and business, including the appointment of Directors, the timing and payment of dividends, the adoption of and amendments to our Memorandum and Articles of Association, the approval of a merger, amalgamation or sale of substantially all of our assets and the approval of most other actions requiring the approval of our shareholders. The interests of our Promoters and Promoter Group may be different from or conflict with the interests of our other shareholders and their influence may result in change of our management or in our control, even if such a transaction may not be beneficial to our other shareholders.

31. Our Promoters, Directors, Key Managerial Personnel and Senior Management Personnel may have interest in our Company, other than reimbursement of expenses incurred, remuneration or other benefits received.

Our Promoters, Directors, Key Managerial Personnel and Senior Management Personnel may be deemed to be interested to the extent of the Equity Shares held by them and benefits deriving from their shareholding in our Company. Our Promoters are interested in the

transactions entered into between our company and themselves as well as between our company and our group entities. For further details, please refer to the chapters titled “*Our Business*” and “*Our Promoters and Promoter Group*”, beginning on page 101 and 141 respectively and the chapter titled “*Annexure 29 - Related Party Transactions*” of restated financials under chapter titled “*Restated Financial Statements*” beginning on page 149 of this Draft Red Herring Prospectus.

32. *Our Promoters and Directors have interests in entities, which are in businesses similar to ours and this may result in potential conflict of interest with us.*

There are, and may be, certain transactions between our company and our promoters or promoter group entity, in the ordinary course of business and at arms’ length price. However, a potential conflict of interest may occur between our promoters, directors, subsidiary entity due to having similar line of business. For further details, please see “*Our Management*” and “*Our Promoters and Promoter Group*” on pages, 126 and 141, respectively of this draft red herring prospectus. Our promoters and directors, and their related entity may compete with us and have no obligation to direct any opportunities to us. We cannot assure you that these or other conflicts of interest will be resolved in an impartial manner.

33. *We have certain amount of outstanding indebtedness, which requires significant cash flows to service and are subject to certain conditions and restrictions in terms of our financing arrangements, which restricts our ability to conduct our business and operations in the manner we desire.*

As on December 31, 2023, our long-term borrowings were ₹ 3,820.87 lakhs & short-term borrowings were 2,918.31 lakhs and as per our business requirements, we will continue to incur additional indebtedness in the future. Our level of indebtedness has important consequences to us, such as:

- limiting our ability to borrow additional amounts in the future;
- increasing our finance costs;
- increasing our vulnerability to general adverse economic, industry and competitive conditions; and
- affecting our capital adequacy requirements.

In the event we breach any financial or other covenants contained in any of our financing arrangements or in the event we had breached any terms in the past which is noticed in the future, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. If the lenders of a material amount of the outstanding loans declare an event of default simultaneously, our Company may be unable to pay its debts when they fall due. For further details of our Company’s borrowings, see “*Financial Indebtedness*” on page 152 of this Draft Red Herring Prospectus.

34. *Our Promoter has provided personal guarantee for loans availed by us.*

In the event of default of the debt obligations, the personal guarantees may be invoked thereby adversely affecting our Promoter’s ability to manage the affairs of our Company and our Company’s profitability and consequently this may impact our business, prospects, financial condition and results of operations. Our Company has availed loans in business. Our Promoter has provided personal guarantee in relation to certain loans availed by our Company, for details please see “*Financial Indebtedness*” on page 152. In the event of default in repayment of the loans by the Company, the personal guarantee extended by our Promoter may be invoked by our lenders thereby adversely affecting our Promoter’s ability to manage the affairs of our Company and this, in turn, could adversely affect our business, prospects, financial condition and results of operations.

35. *Our insurance coverage may not adequately protect us against potential risk, and this may have a material adverse effect on our business.*

We maintain insurance coverage for key risks relating to our business. While we believe that the amount of our insurance coverage is in line with industry standards, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time. In addition, not all risks associated with our operations may be insurable, on commercially reasonable terms or at all. Although we believe that we have obtained insurance coverage customary to our business, such insurance may not provide adequate coverage in certain circumstances and is subject to certain deductibles, exclusions and limits on coverage. To the extent that we suffer loss or damage that is not covered by insurance or exceeds our insurance coverage, our results of operations and cash flow may be adversely affected. Natural disasters in the future or occurrence of any other event for which we are not adequately or sufficiently insured may cause significant disruption to our operations that could have a material adverse impact on our business and operations. The occurrence of an event for which we are not adequately or sufficiently insured could have an adverse effect on our business, results of operations, financial condition and cash flows. If we are subject to litigation or claims or our operations are interrupted for a sustained period, we cannot assure you that our insurance policies will be adequate to cover the losses that may be incurred as a result of such interruption.

36. *We have not identified any alternate source of financing the ‘Objects of the Issue’. If we fail to mobilize resources as per our plans, our growth plans may be affected.*

We have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Issue may delay in the implementation schedule and could adversely affect our growth plans. For further details of object of Issue and schedule of implementation please refer to the chapter titled “*Objects of the Issue*” on page 76 of this Draft Red Herring Prospectus.

37. *We are subject to various government regulations and if we fail to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required to operate our business, our business, results of operations and cash flows may be adversely affected.*

Our operations are subject to government regulation and we are required to obtain and maintain a number of statutory and regulatory permits and approvals under central, state and local government rules in India and in respective regions that we have operations, generally for carrying out our business, producing and marketing our Products and for our production unit. For details of applicable regulations and approvals relating to our business and operations, see “*Government and Other Key Approvals*” on page 168.

Failure by us to renew, maintain or obtain the required permits or approvals at the requisite time may result in the interruption of our operations and may have an adverse effect on our business, financial condition and results of operations. While we have obtained key approvals required for our business, we have also applied for Provident Fund Code, Employees’ State Insurance Code and are awaiting grant of certain key approvals. Failure to obtain or validly maintain such approvals could materially and adversely affect our business, results of operations and financial condition. For further details, see “*Government and Other Key Approvals*” on page 168. The approvals required by our Company are subject to numerous conditions and there can be no assurance that these would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business.

If we fail to comply with applicable statutory or regulatory requirements or fail to complete production of our Products in compliance with applicable standards, there could be a delay in the submission or grant of approval for sale of new products. In many of the international markets where our Products are ultimately sold, the approval process for a new product can be complex, lengthy and expensive. The time taken to obtain regulatory approvals varies by country but generally takes between several weeks and several years from the date of application. If we fail to obtain such approvals, licenses, registrations and permissions, in a timely manner or at all, our business, results of operations, cash flows and financial condition may be adversely affected.

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

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

Further, as a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions to support the existence of effective disclosure controls and procedures and internal control over financial reporting. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management attention will be required.

As a result, our management’s attention may be diverted from business concerns, which may adversely affect our business, prospects, financial condition, and results of operations. Further, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge but cannot assure that we will be able to do so in a timely and efficient manner.

39. *If we are subject to any frauds, theft, or embezzlement by our employees, suppliers or customers, it could adversely affect our reputation, results of operations, financial condition and cash flows.*

Our operations may be subject to incidents of theft. We may also encounter some inventory loss on account of employee/ supplier/ customer fraud, theft, or embezzlement. Although we have set up various security measures in our office premises and unit such as deployment of security guards and operational processes such as periodic stock taking, there can be no assurance that we will not experience any fraud, theft, employee negligence, loss in transit or similar incidents in the future, which could adversely affect our reputation, results of operations, financial condition and cash flows.

40. *Our Company's processing activities are labour intensive and depend on availability of skilled and unskilled employee in large numbers.*

In case of unavailability of such employees and / or inability to retain such personnel, our business operations could be affected. Our Company has employed 58 employees out of whom 8 are on our payrolls and 50 are daily wages and called upon as and when required as on May 15, 2024. The above includes employees in the top and middle management and also employees who are part of processing unit and office staff. Our operations and performance are labour intensive and depends on our ability to identify, attract and retain both skilled and unskilled employees. In case such employees are unavailable or we are unable to identify and retain such employees, our business could be adversely affected. In order to retain flexibility and control costs, we also appoint independent contractors who in turn engage on-site contract labour for performing certain of our ancillary operations. Any failure to hire the appropriate contract labour may impact the operations, production and revenue.

41. *We do not have any offshore offices to manage our international operations.*

A significant portion of our revenue is derived from our export operations however, we have not set up any offshore offices to supplement our international operations. Consequently, we may not be able to properly market our products, capitalised opportunities offered by the international markets or co-ordinate with the intermediaries of such markets to effectively forecast market demands, fashion trends in a timely manner. We cannot assure you that in the near future we will be able to set up our offices overseas to manage our international operations and that the lack of same will not adversely affect our business.

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

Our future ability to pay dividends will depend on our earnings, financial condition and capital requirements of our company and of our subsidiaries and joint ventures. There can be no assurance that we will generate sufficient income to cover the operating expenses and pay dividends to the shareholders. Our ability to pay dividends will also depend on our expansion plans. We may be unable to pay dividends in the near or medium term, and the future dividend policy will depend on the capital requirements and financing arrangements for the business plans, financial condition and results of operations.

43. *The Equity Shares have never been publicly traded, and, after the issue, the equity shares may experience price and volume fluctuations, and an active trading market for the equity shares may not develop. Further, the price of the equity shares may be volatile, and you may be unable to resell the equity shares at or above the issue price, or at all.*

Prior to the issue, there has been no public market for the equity shares, and an active trading market on the stock exchange may not develop or be sustained after the issue. Listing and quotation does not guarantee that a market for the equity shares will develop. The issue price of the equity shares is proposed to be determined through a book building process in accordance with the SEBI ICDR Regulations and may not be indicative of the market price of the equity shares at the time of commencement of trading of the equity shares or at any time thereafter. The market price of the equity shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

The trading volume and market price of the equity shares may be volatile following the issue.

The market price of the equity shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- half yearly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties / governmental entities of significant claims/ proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- changes in the price of oil or gas;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

44. There are restrictions on daily weekly monthly movement in the price of the equity shares, which may adversely affect the shareholder's ability to sell for the price at which it can sell, equity shares at a particular point in time.

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

45. Industry information included in this Draft Red Herring Prospectus has been derived from publicly available industry reports and/or websites. There can be no assurance that such third-party statistical financial and other industry information is either complete or accurate.

We have relied on the information from various publicly available industry reports and/or websites for purposes of inclusion of such information in this Draft Red Herring Prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective 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 for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere.

46. QIB 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.

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

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

The Equity Shares will be listed on the Stock Exchange. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchange. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately five Working Days from the Bid Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchange is expected to commence within Six Working Days of the Bid Closing Date. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

48. Any future issuance of Equity Shares may dilute the shareholding of the Investor, or any sale of Equity Shares by our Promoters or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.

Any future issuance of Equity Shares by our Company could dilute the shareholding of the investor. Any such future issuance of our Equity Shares or sales of our Equity Shares by any of our significant shareholders may adversely affect the trading price of our Equity Shares and could impact our ability to raise capital through an offering of our securities. While the entire Post-Issue paid-up share capital, held by our Promoter or other shareholders will be locked-in for a period of 1 (one) year and minimum promoter contribution subject to a minimum of 20% of our post-Issue paid-up capital will be locked-in for a period of 3 (three) years from the date of allotment

of Equity Shares in the Issue, upon listing of our Equity Shares on the Stock Exchanges. For further information relating to such Equity Shares that will be locked-in, please refer to the section titled “Capital Structure” beginning on page 62 of this Draft Red Herring Prospectus. Any future issuance or sale of the equity shares of our Company by our Promoter or by other significant shareholder(s) or any perception or belief that such sales of Equity Shares might occur may significantly affect the trading price of our Equity Shares.

External Risk Factors

49. A slowdown in economic growth in India could cause our business to suffer.

Our performance and the growth of our business are necessarily dependent on the health of the overall economy of India and of the countries, including but not limited to the USA, Australia and Burundi (Africa) where we have business relations. Any slowdown or perceived slowdown in these economies or future volatility in global commodity prices could adversely affect our business. Additionally, an increase in trade deficit, a downgrading in the sovereign debt rating or a decline in the foreign exchange reserves of these countries could negatively affect interest rates and liquidity, which could adversely affect these economies and our business. Global situations such as outbreak of the COVID-19 pandemic, full scale military invasion of Ukraine by Russia, Israel– Hamas war have caused a global economic downturn including in India and these countries. Any downturn in the macroeconomic environment in India or any country(ies) where we have our business presence, could also adversely affect our business, financial condition, results of operations and prospects.

The economy of India and the countries where the Company has its business presence, could be adversely affected by a general rise in interest rates or inflation, civil unrest, adverse weather conditions affecting agriculture, commodity and energy prices as well as various other factors. A slowdown in the economy of any of these countries could adversely affect the policy of their respective governments towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy.

The economy of India and various other countries where the Company has its business presence is also influenced by economic and market conditions in other countries, particularly USA, Australia and Burundi (Africa). A decline in the foreign exchange reserves and exchange rate fluctuations may also affect liquidity and interest rates in these economies, which could adversely impact our financial condition. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect these economies, which could materially and adversely affect our business, financial condition, results of operations and prospects.

Further, other factors which may adversely affect the global economy are scarcity of credit or other financing facilities, resulting in an adverse impact on economic conditions in India and the countries where the Company has its business presence, resulting in scarcity of financing of our Proposed Projects; volatility in, and actual or perceived trends in trading activity on, India’s principal stock exchanges; changes in the tax, trade, fiscal or monetary policies of India or any other country where the Company has its business presence, like application of GST and/or VAT, as applicable; political instability, terrorism or military conflict in India or in countries in the region or globally, including in India’s various neighbouring countries; occurrence of natural or manmade disasters; infectious disease outbreaks or other serious public health concerns; prevailing regional or global economic conditions, and other significant regulatory or economic developments in or affecting the financial services sectors of India and/or any country where the Company has its business presence.

50. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Europe and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. For example, the full scale military invasion of Russia into Ukraine and the subsequent sanctions placed on Russia by various countries has substantially affected the economic stability of the world and such volatility could impact our Company’s growth. In addition, the market price of oil has risen sharply since the commencement of hostilities in Ukraine, which may have an inflationary effect in India and other countries. A prolonged war or a protracted period of hostilities in the Ukraine may lead to global economic disturbances.

In addition, the USA is one of India’s major trading partners and any possible slowdown in the American economy could have an adverse impact on the trade relations between the two countries. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition, results of operation, and cash flows. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of

global financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition, results of operations, and cash flows, and reduce the price of the Equity Shares.

51. Challenges that affect the soft home furnishing industry will have an effect on our operations.

As we are engaged in the soft home furnishing industry, we are impacted by challenges that affect the industry in general. These include general economic conditions and outlook, improvements in technologies, increase in operating costs, government regulation and policy and importantly, our competitive position in the market in general. These factors will impact us and our business on an ongoing basis. We will be constrained to respond to changes adequately to remain profitable, including bringing about changes to operations, cutting down on costs, and reassessing growth plans and strategies. We are unable to predict these challenges and cannot assure you that we will continue to maintain our current levels of financial performance.

52. Any adverse revision to India's debt rating by a domestic or international rating agency could adversely affect our business.

India's sovereign debt rating could be adversely affected due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business and financial performance, ability to obtain financing for capital expenditures and the price of the Equity Shares.

53. Compliance with applicable health, safety, environmental and other governmental regulations may be costly and adversely affect our results of operations.

Compliance with applicable health, safety, environmental and other governmental regulations is time consuming, costly and requires a number of dedicated personnel. We are subjected to payment of fees and levies on an ongoing basis with respect to a number of licences, approvals, consents and permissions we are required to obtain from governmental authorities. We are required to periodically maintain a number of records and registers and file a number of returns. Ensuring compliance requires that we hire trained personnel across our locations. Our compliance costs may adversely affect our revenue.

54. The occurrence of natural or man-made disasters could adversely affect our results of operations, cash flows and financial condition. Hostilities, terrorist attacks, civil unrest and other acts of violence could adversely affect the financial markets and our business.

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, pandemic disease and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war in India or globally may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years, and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares.

55. 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 including in relation to class actions, under Indian law 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 shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

56. 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.

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be 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 investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all. For further information, see "Restrictions on Foreign Ownership of Indian Securities" on page 209 of Draft Red Herring Prospectus.

57. Investors may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction the investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor's benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

58. A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of Equity Shares at a premium to the market price or would otherwise be beneficial to the shareholders. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of our Company. Under the SEBI Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the SEBI Takeover Regulations.

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

Under current Indian tax laws and regulations, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. A securities transaction tax ("STT") is levied on and collected by an Indian stock exchange on which equity shares are sold. Any capital gain exceeding ₹ 1 lakh, realized on the sale of equity shares held for more than 12 months immediately preceding the date of transfer, which are sold using any other platform other than on a recognized stock exchange and on which no STT has been paid, are subject to long-term capital gains tax in India.

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

**SECTION IV: INTRODUCTION
THE ISSUE**

PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS

Equity Shares Issued ⁽¹⁾ Present Issue of Equity Shares by our Company	Up to 60,00,000 Equity Shares of face value of ₹ 10.00/- each for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity share) aggregating to ₹ [●] Lakhs
Of which Issue reserved for MarketMaker	Up to [●] Equity Shares of face value of ₹ 10.00/- each for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity share) aggregating to ₹ [●] Lakhs
Net Issue to the public *	Up to [●] Equity Shares of face value of ₹ 10.00/- each for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity share) aggregating to ₹ [●] Lakhs
of which A. QIB portion	Not more than [●] Equity Shares
of which (a) Anchor Investor Portion ⁽²⁾	Up to [●] Equity Shares aggregating to ₹ [●] Lakhs
(b) Net QIB Portion (assuming the anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares aggregating to ₹ [●] Lakhs
of which (i) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Up to [●] Equity Shares aggregating to ₹ [●] Lakhs
(ii) Balance of QIB Portion for all QIBs including Mutual Funds	Up to [●] Equity Shares aggregating to ₹ [●] Lakhs
B. Non – institutional portion ⁽³⁾	Not Less than [●] Equity Shares aggregating to ₹ [●] Lakhs
C. Retail portion ^{(4) (5)}	Not Less than [●] Equity Shares aggregating to ₹ [●] Lakhs
Pre and Post Issue Share Capital of our Company	
Equity Shares outstanding prior to this Issue	1,48,00,000 Equity Shares of face value of ₹ 10.00/- each (Rupees Ten Only)
Equity Shares outstanding after this Issue	Up to [●] equity shares of face value of ₹ 10.00/- each (Rupees Ten Only)
Objects of the Issue	Please refer the section titled “Objects of the Issue” beginning on page 76 of this Draft Red Herring Prospectus.

- (1) Public Issue of up to 60,00,000 Equity Shares face value of ₹ 10/- each for cash at a price of ₹ [●] including premium of ₹ [●] per Equity Share of our Company aggregating to ₹ [●] Lakh. This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please refer to section “Issue Structure” beginning on page 188 of this Draft Red Herring Prospectus. The Issue has been authorised by a resolution of our Board dated March 22, 2024. Our Shareholders have authorised the Issue pursuant to a special resolution dated April 13, 2024.
- (2) Our Company may, in consultation with the BRLM, allocate up to [●]% of the QIB Portion to Anchor Investors on a discretionary basis. [●] of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. Further, [●]% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, please see the section titled “Issue Procedure” beginning on page 191 of this Draft Red Herring Prospectus;
- (3) Further, not less than [●]% of the Net Issue was reserved for applicants with application size of more than ₹ 2 lakhs. The allocation to each NII was not less than the Minimum NII Application Size, subject to availability of Equity Shares in the Non- Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.
- (4) Further, not less than [●]% of the Net Issue was available for allocation to Retail Individual Bidders, in accordance with the SEBI 55 Regulations, subject to valid Bids being received at or above the Issue Price
- (5) Allocation to Bidders in all categories, except Anchor Investors, if any, Non-Institutional Investors and Retail Individual Investors, shall be made on a proportionate basis subject to valid Bids received at or above the Issue Price. The allocation to each Non-

Institutional Investor and Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Non-Institutional Portion and the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis.

- (6) *SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 5,00,000, shall use UPI. UPI Bidders using the UPI Mechanism, shall provide their UPI ID in the Bid-cum- Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.*

For further details, please see the section titled “*Issue Structure*” and “*Issue Procedure*” beginning on page 188 and 191 of this Draft Red Herring Prospectus.

SUMMARY OF FINANCIAL INFORMATION

RESTATED BALANCE SHEET

Particulars	As At 31 December, 2023 Amount in Lakhs	As At 31 March, 2023 Amount in Lakhs	As At 31 March, 2022 Amount in Lakhs	As At 31st March, 2021 Amount in Lakhs
I. EQUITY AND LIABILITIES				
(1) Shareholder's Funds				
(a) Share Capital	1,480.00	740.00	20.00	20.00
(b) Reserves & Surplus	725.28	1,362.30	1,448.42	1,149.84
(2) Non Current Liabilities				
(a) Long Term Borrowings	3,820.87	3,586.25	2,673.37	2,437.26
(b) Deferred Tax Liability	-	-	-	-
Current Liabilities				
(a) Short-term Borrowings	2,918.31	2,947.78	2,436.85	2,821.95
(b) Trade Payables				
(i) Total outstanding dues of micro enterprises and small enterprises	35.77	57.12	24.57	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,931.84	1,126.39	1,151.50	17.12
(c) Other Current Liabilities	307.17	44.17	10.38	-
(d) Short-term Provisions	129.20	103.96	95.05	21.73
TOTAL EQUITY & LIABILITIES	11,348.44	9,967.97	7,860.13	6,467.92
II.ASSETS				
(1) Non-current assets				
(a) Property, Plant & Equipment and Intangible Assets				
(i) Property, Plant and Equipment	434.03	553.56	314.94	416.78
(ii) Intangible assets	-	-	-	-
(b) Deffered Tax Asset	26.93	20.08	36.92	32.89
(d) Other Non Current Asset	1,299.29	1,404.78	1,404.78	1,344.75
(2) Current assets				
(a) Inventories	5,225.28	4,833.62	3,933.62	2,902.01
(b) Trade Receivable	2,432.07	1,848.81	1,776.72	1,499.77
(c) Cash & Cash Equivalents	251.69	169.20	198.46	147.72
(d) Short-term loans and advances	822.50	800.21	123.99	123.99
(e) Other Current Assets	856.65	337.70	70.70	-
TOTAL ASSETS	11,348.44	9,967.97	7,860.13	6,467.92

RESTATED STATEMENT OF PROFIT & LOSS

Particulars	For the period ended 31 December, 2023 Amount in Lakhs	For the year ended 31st March, 2023 Amount in Lakhs	For the year ended 31st March, 2022 Amount in Lakhs	For the year ended 31st March, 2021 Amount in Lakhs
Revenue from Operations	5,922.12	10,356.30	10,152.67	7,819.71
Other Income	156.06	184.82	227.02	198.10
Total Income (I+II)	6,078.18	10,541.13	10,379.69	8,017.82
Expenses				
(a) Cost of Material Consumed	5,227.86	9,125.85	8,815.09	7,182.98
(c) Employee Benefits Expense	38.27	48.86	47.80	46.14
(d) Finance Costs	414.06	446.17	303.55	256.77
(e) Depreciation and Amotisation Expenses	121.12	61.43	127.40	99.81
(f) Other Expenses	153.62	529.08	696.16	404.22
Total expenses	5,954.94	10,211.39	9,990.00	7,989.92
Profit/ (Loss) before Tax (III-IV)	123.24	329.74	389.68	27.90
Excess IT Provision				8.04
Tax Expenses				
(a) Current Tax expense	27.10	75.03	95.13	27.31
(b) Deferred Tax	(6.85)	16.84	(4.02)	(32.89)
Profit / (Loss) for period (V-VI)	102.99	237.88	298.58	41.53
Earning per Equity Share				
(1) Basic	0.70	1.65	2.20	0.31
(2) Diluted	0.70	1.65	2.20	0.31

RESTATED STATEMENT OF CASH FLOW

Particulars	As at 31 December , 2023 Amount in lakhs	As at 31 March, 2023 Amount in lakhs	As at 31 March, 2022 Amount in lakhs	As at 31 March, 2021 Amount in lakhs
A) Cashflow From Operating Activities				
Net Profit Before Tax	123.24	329.74	389.68	27.90
Adjustments for:				
Provision for Gratuity	-	-	-	(19.97)
Depreciation on Fixed Assets	121.12	61.43	127.40	99.81
Finance Costs	414.06	446.17	303.55	256.77
Interest Income	(7.62)	(9.64)	(6.73)	(63.43)
Operating Profit Before Working Capital Changes	650.81	827.69	813.91	301.08
Changes in Working Capital				
(Increase)/Decrease in Short Term Provisions for Expenses	(1.86)	32.77	-	-
(Increase)/Decrease in Trade Receivables	(583.26)	(72.10)	(276.94)	1,281.94
(Increase)/Decrease in Other Current Assets	(610.23)	(267.00)	(70.70)	-
(Increase)/Decrease in Inventory	(391.66)	(900.00)	(1,031.61)	536.40
(Increase)/Decrease in Short-term loans and advances	(22.29)	(676.22)	-	(123.99)
Increase/(Decrease) in Trade Payables	784.09	(190.56)	1,104.33	14.58
Increase/(Decrease) in Other Current Liabilities	263.00	33.80	19.39	(13.24)
Cash generated from Operations	88.59	(1,211.62)	558.37	1,996.77
Less:- Income Tax Paid	(91.28)	(99.13)	(23.78)	(24.27)
Net Cash Flow from Operating Activities	179.87	(1,112.49)	582.15	1,972.50
B) Cash Flow From Investing Activities :				
(Purchase of Fixed Assets)/Sale of Fixed Asset	(1.59)	(300.05)	(25.56)	(220.69)
Interest Income	7.62	9.64	6.73	63.43
Deposit	105.49	-	(60.03)	(559.41)
Net Cash Flow from Investing Activities	111.52	(290.41)	(78.86)	(716.68)
C) Cash Flow from Financing Activities :				
Issue of Share Capital/Debentures	-	396.00	-	-
Increase/(Decrease) in Long Term Borrowings	234.63	912.87	236.11	169.09
Increase/(Decrease) in Short Term Borrowings	(29.46)	510.93	(385.10)	(2,203.59)
Finance Costs	(414.06)	(446.17)	(303.55)	(256.77)
Net Cash Flow from Financing Activities	(208.90)	1,373.64	(452.55)	(2,291.28)
Net Increase / (Decrease) in Cash & Cash Equivalents	82.49	(29.26)	50.74	(1,035.45)
Cash Equivalent at the beginning of the year	169.20	198.46	147.72	1,183.17
Cash Equivalent at the end of the year	251.69	169.20	198.46	147.72
Cash Equivalent at the end of the year as per BS	251.69	169.20	198.46	147.72

GENERAL INFORMATION

Our Company was incorporated as “Neelam Linens and Garments (India) Private Limited” on September 22, 2010, as a private limited company under the provisions of the Companies Act, 1956 pursuant to Certificate of Incorporation issues by the Registrar of Companies, Mumbai. Our company was converted into public limited company pursuant to shareholders resolution passed at the extra-ordinary general meeting of our Company held on August 12, 2022 and the name of our Company was changed to “Neelam Linens and Garments (India) Limited” and a Fresh Certificate of Incorporation dated September 01, 2022 was issued by the Registrar of Companies, Mumbai. The Corporate Identity Number of our Company is U17299MH2010PLC208010.

For details of changes in registered offices of our Company, please refer to the section titled “*History and Certain Corporate Matters*” beginning on page 122 of this Draft Red Herring Prospectus.

BRIEF ABOUT THE COMPANY AND ISSUE

Registered Office	446-447, 4 th Floor, Shah & Nahar Industrial Estate Sitaram Jadav Marg, Lower Parel, Delisle Road, Mumbai- 400013, Maharashtra, India. Telephone No.: +91 22 2494 2454 Website: www.neelamgarments.com Email id: compliance@neelamgarments.com
Date of Incorporation	September 22, 2010
Company Registration Number	208010
Corporate Identity Number	U17299MH2010PLC208010
Company Category	Company limited by shares
Company Sub Category	Non-govt company
Address of the Registrar of Companies	Everest, 100 Marine Drive, Mumbai- 400002, Maharashtra, India Telephone No.: +91 22 2281 2627/ 2202 0295/ 2284 6954 Fax: +91 22 2281 1977 Email id: roc.mumbai@mca.gov.in Website: www.mca.gov.in
Designated Stock Exchange	Emerge platform of NSE Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra.
Issue Program	Issue Opens on: [●] Issue Closes on: [●]
Company Secretary and Compliance Officer	Supriya Gupta Neelam Linens and Garments (India) Limited 446-447, 4 th Floor, Shah & Nahar Industrial Estate Sitaram Jadav Marg, Lower Parel, Delisle Road, Mumbai- 400013, Maharashtra, India. Telephone No.: +91 22 6747 0022 Email id: compliance@neelamgarments.com
Chief Financial Officer	Chetan Solanki Neelam Linens and Garments (India) Limited 446-447, 4 th Floor, Shah & Nahar Industrial Estate Sitaram Jadav Marg, Lower Parel, Delisle Road, Mumbai- 400013, Maharashtra, India. Telephone No.: +91 22 6747 0022 Email Id: chetan@neelamgarments.com

Board of Directors

As on the date of this Draft Red Herring Prospectus, the Board of Directors of our Company comprises of the following:

Name	Designation	DIN	Residential Address
Kantilal Jethva	Whole-time director	03111562	801, Floor 8 th , Plot 18, Sankalp, Walkeshwar Road, Malabar hill, Mumbai- 400006, Maharashtra, India
Bhavin Jethwa	Managing Director	03111560	801, Floor 8 th , Plot 18, Sankalp, Walkeshwar Road, Malabar hill, Mumbai- 400006, Maharashtra, India
Manish Dwarkaprasad Kamalia	Non- Executive Independent Director	07314412	RL 27, Raghunath Bhawan, Milap Nagar, MIDC, Dombivali, Kalyan, Tilaknagar Kalyan Thane, Maharashtra 421201.
Dinkal Manish Doshi	Non- Executive	09221054	7, Hetal Apartment, Netaji Subhash Road, Near Depali Travels,

Name	Designation	DIN	Residential Address
	Independent Director		Mulund west, Mumbai, Maharashtra 400080
Falguni R Shah	Non- Executive Independent Director	09806257	2 Summit House Forjett Hill Road Tardeo opp Bhatia Hospital Mumbai, Cumballa Hill, Mumbai, Maharashtra 400026 India

For further details of our directors, see “Our Management” on page 126 of this Draft Red Herring Prospectus.

Details of Key Intermediaries Pertaining to this Issue and our company

Book Running Lead Manager to the Issue	Registrar to the Issue
Expert Global Consultants Private Limited 1511, RG Trade Tower Netaji Subhash Place, Pitampura, New Delhi – 110 034, India Telephone: + 91 11 4509 8234 Email: ipo@expertglobal.in Website: www.expertglobal.in Investor Grievances Id: compliance@expertglobal.in Contact Person: Gaurav Jain SEBI Registration Number: INM000012874 CIN: U74110DL2010PTC205995	Purva Sharegistry (India) Private Limited Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha Marg, Lower Parel (E) Mumbai – 400011, Maharashtra, India Telephone: +91 22 4961 4132 / 3522 0056 Email: support@purvashare.com Investor Grievance Email: support@purvashare.com Contact Person: Deepali Dhuri Website: www.purvashare.com SEBI Registration Number: INR000001112 CIN: U67120MH1993PTC074079

Legal Counsel to the Issue	Statutory and Peer Review Auditor
Adv. Mohan Kanojiya Address: 106A, Vikas Bldg, 11 th Bank Street Fort Mumbai-400001 Telephone: 91 22 3577 9180 Email: advocatemohankanojiya@gmail.com Contact Person: Adv. Mohan Kanojiya Reg. No.: MAH/1288/2015	MASD & Co. LLP Address: 101, Vasu Villa, Amar Building Compound Zaveri Baug Opposite Kandivali West MTNL S.V. Road Mumbai 400067 Telephone: +91 99305 98581 Email: info@masd.co.in Contact Person: CA Aakash Mehta Membership No.: 165824 Firm Registration No.: 146249W Peer Review Number: 013478

Banker to the Company	Public Issue Bank/ Banker to the Issue/ Refund Banker/Escrow Collection Bank
State Bank of India Address: Wagle Industrial Estate, 101, 1st Floor, Bhoomi Velocity B 29 Road, 23, Wagle Industrial Estate, Thane 400604 Telephone: +91 91674 03050 Fax: N.A. Email: niranjan.devsthale@sbi.co.in Website: https://bank.sbi/ Contact Person: Niranjan Devasthale CIN: NA	[●] Address: [●] Telephone: [●] Fax: [●] Email: [●] Website: [●] Contact Person: [●]

Sponsor Bank	Syndicate Member
[●] Address: [●] Telephone: [●] Fax: [●] Email: [●] Website: [●] Contact Person: [●]	[●] Address: [●] Telephone: [●] Fax: [●] Email: [●] Website: [●] Contact Person: [●] SEBI Certificate Registration: [●] CIN: [●]

CHANGES IN THE AUDITORS

Except as mentioned below, there have been no changes in the Auditors in last three financial years preceding the date of this Draft Red Herring Prospectus.

Name of Auditor	MASD & Co. LLP	Dinesh Mehta and Associates
FRN	146249W	125938W
Peer Review No.	013478	-
Email id	info@masd.co.in	cadineshmehta@gmail.com
Address	101, Vasu Villa, Amar Building Compound Zaveri Baug Opposite Kandivali West MTNL S. V. Road Mumbai 400067	122, DR. M. G. M. Marg, Nr Round Temple, Room No. 20, Mumbai- 400004, Maharashtra, India
Reason for Change	Appointment for a period of 5 years due to completion of the term of previous auditor	Re-appointment after the conclusion of the AGM for FY 2020-21 till conclusion of the next AGM to be held for the period FY 2021-22
Date of Appointment	September 30, 2022	November 30, 2021

Investor grievances

Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Issue and/ or the BRLM, 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 may be addressed to the Registrar to the Issue, giving full details such as name, address of the Bidder, number of Equity Shares applied for, the Bid amount paid on submission of the Application Form and the bank branch or collection centre where the application was submitted.

All grievances relating to the UPI mechanism may be addressed to the Registrar to the Issue with a copy to the relevant Sponsor Bank or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Brokers Centres, as the case may be, quoting the full name of the sole or first Bidder, Application Form number, address of the Bidder, Bidder's DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker or address of the RTA or address of the DP, as the case may be, where the Bid was submitted, and the UPI ID of the UPI ID Linked Bank Account in which the amount equivalent to the Bid Amount was blocked.

All grievances relating to Bids submitted through the Registered Broker and/or a Stockbroker may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue.

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

Filing

The Draft Red Herring Prospectus and Prospectus shall be filed with NSE situated at Exchange Plaza, C/1, G Block, Bandra-Kurla Complex, Bandra (East) -400 051, Maharashtra, India

As per SEBI Circular No. *SEBI/HO/CFD/PoD-1/P/CIR/2023/29* dated *February 15, 2023*, company shall upload the Issue Summary Document (ISD) on exchange portal.

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. However, pursuant to sub regulation (5) of Regulation 246 of the SEBI ICDR Regulations, the copy of the Offer Document shall be furnished to the Board (SEBI) in a soft copy. Pursuant to SEBI Circular Number *SEBI/HO/CFD/DIL1/CIR/P/2018/011* dated *January 19, 2018*, a copy of the Offer Document will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.

A copy of the Red Herring Prospectus along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be filed with the RoC and copy of the Prospectus to be filed under 26 of the Companies Act, 2013 would be filed with the RoC and through the electric portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

Statement of *inter se* allocation of Responsibilities for the Issue

Expert Global Consultants Private Limited is the sole Book Running Lead Manager (BRLM) to the Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them.

DESIGNATED INTERMEDIARIES

Self-Certified Syndicate Bank(s)

The list of banks that have been notified by SEBI to act as the SCSBs (i) in relation to the ASBA (other than through UPI Mechanism) is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> or <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>, as applicable or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI Mechanism), a list of which is available on the website of SEBI at <https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> or such other website as updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, refer to the above-mentioned link or any other such website as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

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

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 provided on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=41>,

For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above-mentioned SEBI link.

Registered Brokers

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the website of SEBI (www.sebi.gov.in) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, respectively, as updated from time to time.

Registrar And Share Transfer Agents

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of SEBI (www.sebi.gov.in) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, respectively, as updated from time to time.

Collecting Depository Participants

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

Expert

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Peer Review Auditor namely, MASD & Co. LLP, Chartered Accountants to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 in respect to their (1) Report on Restated Financial Statements, and (2) Report on Statement of Tax Benefits and issued by them, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated May 13, 2024, from the independent Chartered Engineer, namely Bhavin R. Patel & Associates (registration number: AM161658-5), to include his name in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013, to the extent and in his capacity as a Chartered Engineer, in relation to his certificate,

dated January 08, 2024, certifying the capacity utilisation of Production 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.

The above-mentioned consents have not been withdrawn as on the date of this Prospectus.

Monitoring Agency

Since the proceeds from the Fresh Issue does not exceed ₹ 10,000 Lakhs in terms of Regulation 262 (1) of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

Appraising Authority

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

Credit Rating

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

IPO Grading

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

Debenture Trustees

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

Green Shoe Option

No green shoe option is applicable for the Issue.

Filing of Draft Red Herring Prospectus

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

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

A copy of the Prospectus along with the due diligence certificate including additional documents required to be filed under Section 26 of the Companies Act, 2013 will be delivered to the Registrar of Companies office situated at Everest, 100, Marine Drive, Mumbai – 400002, Maharashtra, India.

Book Building Process

The book building, in the context of the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band, which will be decided by our Company, in consultation with the BRLM, and will be advertised in all editions of [●] (a widely circulated English national daily newspaper), all editions of [●] (a widely circulated Hindi national daily newspaper) and in [●] a Regional newspaper of Mumbai, where our registered office is situated at least two working days prior to the Bid/ Issue Opening Date. The Issue Price shall be finalized after the Bid/ Issue Closing Date. The principal parties involved in the Book Building Process are:

- Our Company;
- The Book Running Lead Manager;
- The Syndicate Member(s) who are intermediaries registered with SEBI / registered as brokers and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the Book Running Lead Manager;
- The Registrar to the Issue;

- The Escrow Collection Banks/ Bankers to the Issue and
- The Designated Intermediaries and Sponsor bank

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

The Issue is being made through the Book Building Process wherein [●]% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, [●]% 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 [●]% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than [●]% of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Issue Price.

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

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

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

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

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

For further details, please refer to the chapters titled “*Issue Structure*” and “*Issue Procedure*” beginning on pages 188 and 191, respectively of this Draft Red Herring Prospectus.

Illustration of Book Building Process and the 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 191 of this Draft Red Herring Prospectus.

Underwriting Agreement

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

Details of the Underwriter	No. of Shares Underwritten	Amount Underwritten	% of total Issue size underwritten
[●]	[●]	[●]	[●]

(The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed after determination of the Issue Price and allocation of Equity Shares, but prior to the filing of the Red Herring Prospectus or the Prospectus, with the RoC as the case may be. This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC.)

As per Regulation 260(2) & (3) of SEBI (ICDR) Regulations, 2018, the Book Running Lead manager has agreed to underwrite to a minimum extent of [●] % of the Issue out of its own account. In the opinion of the Board of Directors (based on certificate given by the Underwriters), the resources of the above-mentioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The above-mentioned Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange.

Market Maker

Name:	[●]
Address:	[●]
Tel No:	[●]
Fax No:	[●]
Contact Person:	[●]
Email:	[●]
Website:	[●]
Contact Person:	[●]
SEBI Registration No.:	[●]

Details of the Market Making Arrangement for this Issue

Our Company and the Book Running Lead Manager, have entered into an agreement dated [●] with [●], a Market Maker registered with Emerge Platform of NSE in order to fulfil the obligations of Market Making

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

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

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker shall inform the exchange in advance for each and every blackout period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be ₹ 1,00,000. However, the investors with holdings of value less than ₹ 1,00,000 shall be allowed to Offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and Emerge Platform of NSE from time to time.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker, for the quotes given by him.
5. 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.
6. The shares of the Company will be traded in continuous trading session from the time and day the company gets listed on Emerge Platform of NSE and Market Maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.
7. 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 or 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 to decide controllable and non-controllable reasons would be final.
8. 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.
9. The Market Maker shall have the right to terminate the said arrangement by giving three months-notice or on mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a replacement Market Maker.

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 Book Running Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further the Company and the Book Running Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particulars point of time.

10. **Risk containment measures and monitoring for Market Maker:** Emerge Platform of NSE will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
11. **Punitive Action in case of default by Market Maker:** Emerge Platform of NSE will monitor the obligations on a real-time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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.

12. **Price Band and Spreads:** SEBI Circular bearing reference no: *CIR/MRD/DP/ 02/2012* dated *January 20, 2012*, has laid down that for Issue size up to ₹ 250 Crores, the applicable price bands for the first day shall be:

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

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

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

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

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

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

CAPITAL STRUCTURE

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

Sr. No.	Particulars	<i>Amount (₹ in Lakhs except share data)</i>	
		Aggregate Nominal Value	Aggregate Value at Issue Price ⁽¹⁾
I.	Authorized share capital⁽²⁾		
	2,25,00,000 Equity Shares of ₹10 each	2,250.00	-
II.	Issued, subscribed and paid-up share capital prior to the Issue⁽²⁾⁽³⁾		
	1,48,00,000 Equity Shares of ₹10 each	1,480.00	-
III.	Present Issue in terms of the Draft Red Herring Prospectus		
	Fresh Issue up to 60,00,000 ⁽²⁾ Equity Shares having face value of ₹ 10 each at a price of ₹ [●] per equity share (including a share premium of ₹ [●] per Equity share) aggregating ₹ [●] ⁽⁴⁾	up to [●]	[●]
	Which comprises		
	Reservation for Market Maker	[●]	[●]
	[●] of Equity Shares of ₹10/- each at an Issue Price of ₹ [●]/- per Equity Share reserved as Market Maker Portion		
	Net Issue to the Public	[●]	[●]
	[●] Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share to the Public		
	Net Issue to Public consists of		
	Allocation to Qualified Institutional Buyers:	[●]	[●]
	Not more than [●] Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Qualified Institutional Buyers		
	Allocation to Non-Institutional Investors:	[●]	[●]
	At least [●] Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Non-Institutional Investors		
	Allocation to Retail Individual Investors:	[●]	[●]
	At least [●] Equity Shares of ₹ 10/- each at an Issue Price of ₹ [●]/- per Equity Share will be available for allocation to Retail Investors		
IV.	Issued, subscribed and paid-up share capital after to the Issue		
	[●] Equity Shares of ₹ 10/- each		[●]
V.	Securities premium account		
	Before the Issue		-
	After the Issue		[●]

⁽¹⁾ To be updated upon finalisation of the Issue Price

⁽²⁾ For details in relation to the changes in the authorised share capital of our Company since incorporation, see “History and Certain Other Corporate Matters – Amendments to the Memorandum of Association of Our Company Since Incorporation” on page 122.

⁽³⁾ As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company and there is no share application money pending for allotment.

⁽⁴⁾ The Issue has been authorized by a resolution of our Board dated March 22, 2024 and a special resolution of our Shareholders passed in the EGM dated April 13, 2024.

Class of Shares

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

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

1. Changes in the authorised share capital of our Company:

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

Sr. No.	Particulars	Cumulative No. of Equity Shares	Cumulative Authorised Share Capital	Date of Shareholder's approval	Whether AGM/EGM
	On Incorporation (September 22, 2010)	50,000	5,00,000	Not applicable	Not applicable
	Increase in Authorised Share Capital from ₹ 5,00,000 to ₹ 10,00,000	1,00,000	10,00,000	May 12, 2011	EGM
	Increase in Authorised Share Capital from ₹ 10,00,000 to ₹ 15,00,000	1,50,000	15,00,000	March 01, 2012	EGM
	Increase in Authorised Share Capital from ₹ 15,00,000 to ₹ 20,00,000	2,00,000	20,00,000	March 05, 2012	EGM
	Increase in Authorised Share Capital from ₹ 20,00,000 to ₹ 11,00,00,000	1,10,00,000	11,00,00,000	July 01, 2022	EGM
	Increase in Authorised Share Capital from ₹ 11,00,00,000 to ₹ 22,50,00,000	2,25,00,000	22,50,00,000	June 28, 2023	EGM

2. History of Paid-up Share Capital of our Company:

The history of the paid-up Share capital and the securities premium account of our company is as set out in the following table:

Date of Allotment	No. of Equity shares allotted	Face Value per Equity shares (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid-Up Share Capital (₹)	Cumulative Securities Premium (₹)
On incorporation (September 22, 2010)	50,000	10	10	Cash	Incorporation ⁽ⁱ⁾	50,000	5,00,000	-
May 13, 2011	50,000	10	610	Cash	Preferential Allotment ⁽ⁱⁱ⁾	1,00,000	10,00,000	3,00,00,000
March 02, 2012	50,000	10	1,076	Cash	Preferential Allotment ⁽ⁱⁱⁱ⁾	1,50,000	15,00,000	8,33,00,000
March 06, 2012	50,000	10	235	Cash	Preferential Allotment ^(iv)	2,00,000	20,00,000	9,45,50,000
July 02, 2022	60,00,000	10	NA	Other than Cash	Bonus Issue ^(v)	62,00,000	6,20,00,000	3,45,50,000
July 26, 2022	12,00,000	10	33	Cash	Preferential Allotment ^(vi)	74,00,000	7,40,00,000	6,21,50,000
June 30, 2023	74,00,000	10	NA	Other than Cash	Bonus Issue ^(vii)	1,48,00,000	14,80,00,000	-

*We are unable to trace complete bank statements for the May 13, 2011, March 02, 2012 and March 06, 2012 allotment made by the Company and therefore details mentioned above are extracted from the certificate certified by M/s MASD & Co. LLP, Chartered Accountants. For risks relating to the same, please refer to the Risk Factor No. 5 from the section titled "Risk Factors" beginning on Page 29 of this Draft Red Herring Prospectus.

Notes:

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

Sr. No.	Names of the Person	Number of shares allotted
1.	Bhavin Jethwa	35,000
2.	Kantilal Jethva	10,000
3.	Manjula Jethva	2,500

Sr. No.	Names of the Person	Number of shares allotted
4.	Janki Jethva	2,500
Total		50,000

(ii) *Preferential Allotment of 50,000 Equity Shares of Face Value of ₹ 10/- each at premium of ₹ 600 to the following shareholders:*

Sr. No.	Names of the Person	Number of shares allotted
1.	Bhavin Jethva	50,000
Total		50,000

(iii) *Preferential Allotment of 50,000 Equity Shares of Face Value of ₹ 10/- each at premium of ₹ 1,066 to the following shareholders:*

Sr. No.	Names of the Person	Number of shares allotted
1.	Bhavin Jethva	20,000
2.	Kantilal Jethva	10,000
3.	Manjula Jethva	10,000
4.	Janki Jethva	10,000
Total		50,000

(iv) *Preferential Allotment of 50,000 Equity Shares of Face Value of ₹ 10/- each at premium of ₹ 225 in cash to the following shareholders:*

Sr. No.	Names of the Person	Number of shares allotted
1.	Bhavin Jethva	35,000
2.	Kantilal Jethva	10,000
3.	Manjula Jethva	2,500
4.	Janki Jethva	2,500
Total		50,000

(v) *Bonus Allotment of 60,00,000 Equity Shares of ₹ 10/- each in the ratio of 30:1 i.e. 30 Bonus Equity Shares for each Equity Share held to the following Shareholders:*

Sr. No.	Names of the Person	Number of shares allotted
1.	Bhavin Jethva	46,50,000
2.	Kantilal Jethva	6,00,000
3.	Manjula Jethva	3,75,000
4.	Janki Jethva	3,75,000
Total		60,00,000

(vi) *Preferential Allotment of 12,00,000 Equity Shares of Face Value of ₹ 10/- each at premium of ₹ 23 in cash to the following shareholders:*

Sr. No.	Names of the Person	Number of shares allotted
1.	Ankit Rawal	3,25,000
2.	Roopal Kawa	2,10,000
3.	Harshad Sheth	2,00,000
4.	Rushabh Sanghavi	2,00,000
5.	Chirag Shah	1,00,000
6.	Sangita Thakkar	30,000
7.	Bharat Ishwerlal Thakkar (HUF)	30,000
8.	Sahil Thakkar	30,000
9.	Kunal Mehta	30,000
10.	Chintan Shah	15,000
11.	Jaishree Rathod	15,000
12.	Rajesh Sadhwani	15,000
Total		12,00,000

(vii) **Bonus Allotment of 74,00,000 Equity Shares of ₹ 10/- each in the ratio of 1:1 i.e. 1 Bonus Equity Share for each Equity Share held to the following Shareholders:**

Sr. No.	Names of the Person	Number of shares allotted
1.	Bhavin Jethwa	44,84,000
2.	Kantilal Jethva	6,20,000
3.	Manjula Jethva	3,87,500
4.	Janki Jethva	3,87,500
5.	Ankit Rawal	3,25,000
6.	Roopal Kawa	2,10,000
7.	Harshad Sheth	2,00,000
8.	Rushabh Sanghavi	2,00,000
9.	Chirag Shah	1,00,000
10.	Falguni Jain	50,000
11.	Yesha Jain	50,000
12.	Hiana Jain	50,000
13.	Kashish Kumar Mehta	45,000
14.	Kunal Mehta	30,000
15.	Rajkumar Jain	30,000
16.	Sangita Thakkar	30,000
17.	Bharat Ishwerlal Thakkar (HUF)	30,000
18.	Sahil Thakkar	30,000
19.	Nilam Shah	30,000
20.	Narendra Shah	18,200
21.	Dharmesh Shah	16,600
22.	Geeta Shah	16,000
23.	Chintan Shah	15,000
24.	Jaishree Rathod	15,000
25.	Rajesh Sadhwani	15,000
26.	Pooja Shah	9,100
27.	Sonal Shah	6,100
Total		74,00,000

3. As on the date of this Draft Red Herring Prospectus, our Company does not have any preference share capital.

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

Date of Allotment	No. of Equity shares allotted	Face Value per Equity shares (₹)	Issue Price (₹)	Nature of Consideration	Nature of Allotment
June 30, 2023	74,00,000	10	NA	Other than Cash	Bonus Issue

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

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

6. As on the date of this Draft Red Herring Prospectus, our company does not have any preference share capital.

7. Details of Equity Shares issued for consideration other than cash:

Date of Allotment	Name of allottees	Equity Shares allotted	No. of Equity shares	Face Value (₹)	Issue Price (₹)	Reasons for allotment	Benefits accrued to our Company for allotment
July 02, 2022	Bhavin Jethwa	46,50,000	60,00,000	10	NA	Bonus Issue	Capitalisation of Reserves out free
	Kantilal Jethwa	6,00,000					

Date of Allotment	Name of allottees	Equity Shares allotted	No. of Equity shares	Face Value (₹)	Issue Price (₹)	Reasons for allotment	Benefits accrued to our Company for allotment
	Manjula Jethwa	3,75,000					reserves of the Company including the Profit and Loss Account balance.
	Janki Jethva	3,75,000					
June 30, 2023	Bhavin Jethwa	44,84,000	74,00,000	10	NA	Bonus Issue	Capitalisation of Reserves out free reserves of the Company including the Profit and Loss Account balance.
	Kantilal Jethwa	6,20,000					
	Manjula Jethwa	3,87,500					
	Janki Jethva	3,87,500					
	Ankit Rawal	3,25,000					
	Roopal Kawa	2,10,000					
	Harshad Sheth	2,00,000					
	Rushabh Sanghavi	2,00,000					
	Chirag Shah	1,00,000					
	Falguni Jain	50,000					
	Yesha Jain	50,000					
	Hiana Jain	50,000					
	Kashish Kumar Mehta	45,000					
	Kunal Mehta	30,000					
	Rajkumar Jain	30,000					
	Sangita Thakkar	30,000					
	Bharat Ishwerlal Thakkar (HUF)	30,000					
	Sahil Thakkar	30,000					
	Nilam Shah	30,000					
	Narendra Shah	18,200					
	Dharmesh Shah	16,600					
	Geeta Shah	16,000					
	Chintan Shah	15,000					
	Jaishree Rathod	15,000					
	Rajesh Sadhwani	15,000					
	Pooja Shah	9,100					
	Sonal Shah	6,100					

8. No equity shares have been allotted in terms of any scheme approved under sections 391-394 of the Companies Act, 1956 and sections 230-234 of the Companies Act, 2013.
9. As on the date of this Draft Red Herring Prospectus, our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended from time to time.
10. Our Company has not revalued its assets since inception and has not issued equity shares (including bonus shares) by capitalizing any revaluation reserves.
11. All Pre-IPO Equity Shares of our Company will be locked in as mentioned above prior to listing of Equity Shares on Emerge Platform of NSE.
12. Our Company has not made any public issue (including any rights issue to the public) since its incorporation.
13. Our Company has 31 (thirty one) shareholders, as on the date of this Draft Red Herring Prospectus.
14. We hereby confirm that none of the members of the Promoter Group, Directors and their immediate relatives have financed the purchase by any other person of Equity shares of our Company other than in the normal course of business of the financing entity within the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

15. 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 Emerge Platform of NSE before commencement of trading of such Equity Shares.

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

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

* All Pre-IPO Equity Shares of our Company will be locked in as mentioned above prior to listing of shares on EMERGE Platform of NSE. Our Company will file the shareholding pattern in the form prescribed under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, one day prior to the Listing of the Equity Shares. The Shareholding Pattern will be uploaded on the Website of the NSE before commencement of trading of such Equity Shares.

Sr No.	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 under lying Depository Receipts	Total no. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities ¹			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C)	Number of Locked in shares ³		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)	N	As a % of total Shares held (a)	No		As a % of total Shares held (b)
								Class Equity Shares of ₹ 10/- each ²	Classes	Total								
I	II	III	IV	V	VI	VII=IV+V+VI	VIII	IX			X	XI=VII+X	XII	XIII	XIV			
A)	Promoters & Promoter Group	4	1,09,78,000	-	-	1,09,78,000	74.18	1,09,78,000	-	1,09,78,000	74.18	-	-	-	-	-	1,09,78,000	
B)	Public	27	38,22,000	-	-	38,22,000	25.82	38,22,000	-	38,22,000	25.82	-	-	-	-	-	38,22,000	
C)	Non-Promoters - Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C2)	Shares held by Emp. Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total	31	1,48,00,000	-	-	1,48,00,000	100	1,48,00,000	-	1,48,00,000	100	-	-	-	-	-	1,48,00,000	

Note:

1As on date of this Draft Red Herring Prospectus one (1) Equity share holds one (1) vote.

2 We have only one class of Equity Shares of face value of ₹ 10/- each.

3All Pre-IPO Equity Shares of our Company will be locked in as mentioned above prior to listing of shares on Emerge Platform of National Stock Exchange of India Limited.

17. List of our major Shareholders:

Set forth below are the details of shareholders holding 1.00% or more of the paid-up Equity Share capital of our Company, on a fully diluted basis:

a) AS ON DATE of the Draft Red Herring Prospectus:

Sr. No.	Names	Number of equity shares	% of the then existing paid up capital
1.	Bhavin Jethwa	81,88,000	55.32
2.	Kantilal Jethva	12,40,000	8.38
3.	Ankit Rawal	6,50,000	4.39
4.	Manjula Jethva	7,75,000	5.24
5.	Janki Jethva	7,75,000	5.24
6.	Roopal Kawa	4,20,000	2.84
7.	Harshad Sheth	4,00,000	2.70
8.	Rushabh Sanghavi	4,00,000	2.70
9.	Chirag Shah	2,00,000	1.35
10.	Narendra Patel	1,50,000	1.01
11.	Abhik Patel	3,00,000	2.03
12.	Chintan Mehta	3,00,000	2.03
	Total	1,37,98,000	93.23

b) TEN (10) DAYS PRIOR to the date of the Draft Red Herring Prospectus:

Sr. No.	Names	Number of equity shares	% of the then existing paid up capital
1.	Bhavin Jethwa	81,88,000	55.32
2.	Kantilal Jethva	12,40,000	8.38
3.	Ankit Rawal	6,50,000	4.39
4.	Manjula Jethva	7,75,000	5.24
5.	Janki Jethva	7,75,000	5.24
6.	Roopal Kawa	4,20,000	2.84
7.	Harshad Sheth	4,00,000	2.70
8.	Rushabh Sanghavi	4,00,000	2.70
9.	Chirag Shah	2,00,000	1.35
10.	Narendra Patel	1,50,000	1.01
11.	Abhik Patel	3,00,000	2.03
12.	Chintan Mehta	3,00,000	2.03
	Total	1,37,98,000	93.23

c) ONE (1) YEAR PRIOR to the date of the Draft Red Herring Prospectus:

Sr. No.	Names	Number of equity shares	% of the then existing paid up capital
1.	Bhavin Jethwa	44,84,000	60.59
2.	Kantilal Jethwa	6,20,000	8.38
3.	Manjula Jethwa	3,87,000	5.24
4.	Janki Jethva	3,87,000	5.24
5.	Ankit Rawal	3,25,000	4.39
6.	Roopal Kawa	2,10,000	2.84
7.	Harshad Sheth	2,00,000	2.70
8.	Rushabh Sanghavi	2,00,000	2.70
9.	Chirag Shah	1,00,000	1.35

Sr. No.	Names	Number of equity shares	% of the then existing paid up capital
	Total	69,14,000	93.43

d) **TWO (2) YEAR PRIOR** to the date of the Draft Red Herring Prospectus:

Sr. No.	Names	Number of equity shares	% of the then existing paid up capital
1.	Bhavin Jethwa	1,55,000	77.50
2.	Kantilal Jethva	20,000	10.00
3.	Manjula Jethva	12,500	6.25
4.	Janki Jethva	12,500	6.25
	Total	2,00,000	100.00

Except as disclosed below, no subscription to or sale or purchase of the securities of our Company within three years preceding the date of filing of the Draft Red Herring Prospectus by our Promoters or Directors or Promoter Group which in aggregate equals to or is greater than 1% of the pre- issue share capital of our Company

Name of the shareholder	Date of Transaction	Promoters/ Group/ KMP/SMP	Promoter Directors/	Number of Equity Shares Subscribed to/ Acquired	Number of Equity shares sold	Subscribed/ Acquired/ Transferred
Bhavin Jethwa	November 04, 2022		Promoter	-	30,000	Transferred to Rajkumar Jain
				-	50,000	Transferred to Falguni Jain
				-	50,000	Transferred to Yesha Jain
				-	50,000	Transferred to Hiana Jain
	November 07, 2022		Promoter	-	16,600	Transferred to Dharmesh Shah
				-	18,200	Transferred to Narendra Shah
				-	6,100	Transferred to Sonal Shah
				-	9,100	Transferred to Pooja Shah
				-	30,000	Transferred to Nilam Shah
				-	16,000	Transferred to Geeta Shah
	April 17, 2023		Promoter	-	45,000	Transferred to Kashish Mehta
	June 19, 2023		Promoter	-	30,000	Transferred to Sanjay Goyal
	August 31, 2023		Promoter	-	1,50,000	Transferred to Narendra Patel
	January 03, 2024		Promoter	-	3,00,000	Transferred to Abhik Patel
-				3,00,000	Transferred to Chintan Mehta	

18. There are no Equity Shares purchased/acquired or sold by our Promoters, Promoter Group and/or by our directors and their immediate relatives within six months immediately preceding the date of filing of the Draft Red Herring Prospectus.

Name of the shareholder	Date of Transaction	Promoters/ Group/ KMP/SMP	Promoter Directors/	Number of Equity Shares Subscribed to/ Acquired	Number of Equity shares sold	Subscribed/ Acquired/ Transferred
				-	1,50,000	Transferred to Narendra Patel
Bhavin Jethwa	January 03, 2024		Promoter	-	3,00,000	Transferred to Abhik Patel
				-	3,00,000	Transferred to Chintan Mehta

19. Our Company presently does not intend or propose to alter its capital structure for a period of six (6) months from the Bid/Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares), whether on a preferential basis, or by way of further public issue of Equity Shares, or otherwise. However, if business needs of our Company so require, 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 may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

20. Build-up of our Promoters and Shareholding of our Promoters:

The current Promoters are Kantilal Jethva and Bhavin Jethwa.

As on the date of this Draft Red Herring Prospectus, our Promoters hold 94,28,000 Equity Shares which constitutes 63.70% of the issued, subscribed and paid-up Equity Share Capital of our Company. Further, none of the Equity Shares held by our Promoters are pledged.

a. Kantilal Jethva

Date of allotment/ Transfer	Nature of Issue/ Transaction	Nature of consideration	No. of Equity Shares	FV (₹)	Acquisition/Transfer Price/ sale price	Cumulative No. of shares	% of Pre-Issue Equity Share Capital	% of Post-Issue Equity Share Capital
Upon Incorporation	Subscription to MOA	Cash	10,000	10	10	10,000	0.07	[●]
March 02, 2012	Preferential Allotment	Cash	10,000	10	1,076	20,000	0.14	[●]
March 06, 2012	Preferential Allotment	Cash	10,000	10	235	30,000	0.20	[●]
March 30, 2012	Transfer	Cash	(10,000)	10	235	20,000	0.14	[●]
July 02, 2022	Bonus Issue	Other than Cash	6,00,000	10	NA	6,20,000	4.19	[●]
June 30, 2023	Bonus Issue	Other than Cash	6,20,000	10	NA	12,40,000	8.38	[●]

b. Bhavin Jethwa

Date of allotment/ Transfer	Nature of Issue/ Transaction	Nature of consideration	No. of Equity Shares	FV (₹)	Acquisition/Transfer Price/ sale price	Cumulative No. of shares	% of Pre-Issue Equity Share Capital	% of Post-Issue Equity Share Capital
Upon Incorporation	Subscription to MOA	Cash	35,000	10	10	35,000	0.24	[●]
May 13, 2011	Preferential Allotment	Cash	50,000	10	610	85,000	0.57	[●]
March 02, 2012	Preferential Allotment	Cash	20,000	10	1,076	1,05,000	0.71	[●]
March 06, 2012	Preferential Allotment	Cash	35,000	10	235	1,40,000	0.95	[●]
March 30, 2012	Transfer	Cash	10,000	10	225	1,50,000	1.01	[●]
March 30, 2012	Transfer	Cash	2,500	10	225	1,52,500	1.03	[●]
March 30, 2012	Transfer	Cash	2,500	10	225	1,55,000	1.05	[●]
July 02, 2022	Bonus Issue	Other than cash	46,50,000	10	NA	48,05,000	32.47	[●]
November 04, 2022	Transfer	Cash	(30,000)	10	33.03	47,75,000	32.26	[●]
November 07, 2022	Transfer	Cash	(50,000)	10	33	47,25,000	31.93	[●]
November 07, 2022	Transfer	Cash	(50,000)	10	33	46,75,000	31.59	[●]
November 07, 2022	Transfer	Cash	(50,000)	10	33	46,25,000	31.25	[●]
November 07, 2022	Transfer	Cash	(16,600)	10	33	46,08,400	31.14	[●]
November 07, 2022	Transfer	Cash	(18,200)	10	33	45,90,200	31.01	[●]
November 07, 2022	Transfer	Cash	(6,100)	10	33	45,84,100	30.97	[●]
November 07, 2022	Transfer	Cash	(9,100)	10	33	45,75,000	30.91	[●]
November 07, 2022	Transfer	Cash	(30,000)	10	33	45,45,000	30.71	[●]
April 17, 2023	Transfer	Cash	(16,000)	10	33	45,29,000	30.60	[●]
June 19, 2023	Transfer	Cash	(45,000)	10	33	44,84,000	30.30	[●]
June 30, 2023	Bonus Issue	Other than Cash	44,84,000	10	NA	89,68,000	60.59	[●]
August 31, 2023	Transfer	Cash	(30,000)	10	33	89,38,000	60.39	[●]
January 03, 2024	Transfer	Cash	(1,50,000)	10	33	87,88,000	59.38	[●]
January 03, 2024	Transfer	Cash	(3,00,000)	10	33	84,88,000	57.35	[●]
January 03, 2024	Transfer	Cash	(3,00,000)	10	33	81,88,000	55.32	[●]

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

- ii. The maximum and minimum price at which the aforesaid transaction was made is ₹ 1,076/- and Nil per Equity Share.
- iii. All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment of such Equity Shares. Further, none of the Equity Shares held by our Promoters are pledged.
- iv. The entire Promoter's shares are subject to lock-in from the date of allotment of the equity shares issued through the Red Herring Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations.

21. Pre-Issue and Post-Issue Shareholding of our Promoters and Promoter Group:

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

Sr. No.	Category of Promoter	Pre-Issue		Post- Issue	
		No. of Equity Shares	Percentage of Pre-Issue capital (%)	No. of Equity Shares	Percentage of Pre-Issue capital (%)
Promoters					
	Bhavin Jethwa	81,88,000	55.32	81,88,000	[●]
	Kantilal Jethva	12,40,000	8.38	12,40,000	[●]
	Total Promoters' holding	94,28,000	63.70	94,28,000	[●]
Promoter Group Members					
	Manjula Jethva	7,75,000	5.24	7,75,000	[●]
	Janki Jethva	7,75,000	5.24	7,75,000	[●]
	Total Promoter Group holding	15,50,000	10.48	15,50,000	[●]
	Total Promoters and Promoter Group holding	1,09,78,000	74.18	1,09,78,000	[●]

22. The average cost of acquisition of or subscription of 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(₹ Per share)*
1.	Bhavin Jethwa	81,88,000	3.39
2.	Kantilal Jethva	12,40,000	8.76

*As certified by the MASD & Co. LLP, Chartered Accountants through the certificate dated May 13, 2024.

23. Promoter's Contribution and other Lock-in details:

a. Details of Promoter's Contribution locked-in for three (3) years

Pursuant to Regulations 236 and 238 of the SEBI ICDR Regulations, an aggregate of [●]% of the fully diluted post issue Equity Share capital of our Company held by the Promoters shall be considered as Promoter's Contribution ("Promoter's Contribution") and shall be locked in for a period of three years from the date of Allotment of Equity Shares and the shareholding of the Promoters in excess of [●]% of the fully diluted post issue Equity Share capital shall be locked in for a period of one year from the date of Allotment.

The details of the Equity Shares held by our Promoters, which shall be locked-in for a period of three years from the date of allotment, are set out in the following table:

Names of Promoters	Number of equity shares	Post-Issue equity share capital
[●]	[●]	[●]
[●]	[●]	[●]

All the Equity Shares were fully paid-up on the respective dates of allotment or acquisition of such Equity Shares, as the case may be. For details regarding allotment of the above Equity Shares, please refer section "Capital Structure-History of Paid-up Share Capital of our Company" on page 62 of this Draft Red Herring Prospectus

Our Promoters have given consent to include such number of Equity Shares held by them as may constitute [●] % of the fully diluted post issue Equity Share capital of our Company as the Promoter's Contribution. Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Promoter's Contribution from the date of filing of this Draft Red Herring Prospectus,

until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

In compliance with regulation 237 of SEBI ICDR Regulations, the minimum Promoters contribution of 20% as shown above which is subject to lock-in for three years, we confirm the following:

- The Minimum Promoter's contribution does not consist of such Equity Shares which have been acquired for consideration other than cash and revaluation of assets or capitalization of intangible assets

The minimum Promoter's contribution does not consist of such Equity Shares acquired during the preceding three years, resulting from a bonus issue by utilization of revaluation reserves or unrealized profits of the issuer or from bonus issue against Equity Shares which are ineligible for minimum promoter's contribution

- Our Company has not been formed by conversion of a partnership firm into a company and hence no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion of a partnership firm; and the Equity Shares held by our Promoters and issued as part of the Minimum Promoter's Contribution are not subject to any pledge.
- The Minimum Promoter's Contribution does not include Equity Shares acquired during the one (1) year preceding the date of this Draft Red Herring Prospectus at a price lower than the price at which the Equity Shares are being issued to the public in the issue.
- The Equity Shares held by the Promoters and issued for minimum 20% Promoter's Contribution are not subject to any pledge.
- Our Promoter's Contribution of 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies.

b. *Details of share capital locked-in for one (1) year*

- (i) Pursuant to Regulation 238 (b) of the SEBI (ICDR) Regulations, in addition to the Promoter's Contribution to be locked-in for a period of 3 years, the balance [●], as specified above, the entire Pre-Issue Equity Share capital will be locked in for a period of one (1) year from the date of Allotment in this Issue.
- (ii) Pursuant to Regulation 242 of the SEBI Regulations, the Equity Shares held by our Promoters can be pledged only with banks or financial institutions as collateral security for loans granted by such banks or financial institutions for the purpose of financing one or more of the objects of the issue and the pledge of shares is one of the terms of sanction of such loan. However, as on date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters have been pledged to any person, including banks and financial institutions.
- (iii) Pursuant to Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoters, which are locked in as per Regulation 238 of the SEBI (ICDR) Regulations, may be transferred to amongst our Promoters/ Promoter Group or to a new promoter or persons in control of our Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.
- (iv) Pursuant to Regulation 243 of the SEBI (ICDR) Regulations, Equity Shares held by shareholders other than our Promoters, which are locked-in as per Regulation 239 of the SEBI (ICDR) Regulations, may be transferred to any other person holding shares, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 as applicable.

c. *Recording on non-transferability of Equity Shares locked-in*

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

24. Lock-in of the Equity Shares to be Allotted, if any, to the Anchor Investors:

One half of the Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment and the remaining Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

25. Neither the Company, nor its Promoters, Directors or the Book Running Lead Manager have entered into any buyback and/or standby arrangements for purchase of Equity Shares of the Company from any person.
26. All Equity Shares issued pursuant to the Issue shall be fully paid-up.
27. At the time of Allotment, there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful Applicants will be issued fully paid-up Equity Shares.
28. The Book Running Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Book Running Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
29. None of our Directors or Key Managerial Personnel or Senior Management Personnel holds Equity Shares in the Company, except as stated in the chapter titled "*Our Management*" beginning on page 126 of this Draft Red Herring Prospectus.
30. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under Basis of Allotment in the chapter titled "*Issue Procedure*" beginning on page 191 of this Draft Red Herring Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.
31. An over-subscription to the extent of [●]% of the Net Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of [●]% of the Net Issue, as a result of which, the post-issue paid-up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock- in shall be suitably increased; so as to ensure that [●]% of the post Issue paid-up capital is locked in.
32. Subject to valid applications being received at or above the Issue Price, under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company and promoter selling shareholders in consultation with the Book Running Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.
33. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
34. Our Company shall ensure that transactions in the Equity Shares by our Promoters and our Promoter Group between the date of this Draft Red Herring Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within 24 hours of such transaction.
35. Our Promoters and Promoter Group will not participate in the Issue.
36. Our Company has not re-valued its assets and we do not have any revaluation reserves till date.
37. As on date of this Draft Red Herring Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue;
38. An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
39. There are no outstanding warrants, options or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Draft Red Herring Prospectus;
40. There are no Equity Shares against which depository receipts have been issued;
41. Our Company undertakes that there shall be only one denomination for the Equity Shares of our Company, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as specified by SEBI from time to time;

OBJECTS OF THE ISSUE

The issue comprises of fresh issue of up to 60,00,000 equity shares of our Company at an issue price of ₹ [●] per equity share. We intend to utilize the proceeds of the issue to meet the following objects:

1. Funding capital expenditure requirement of our Company towards purchase of Embroidery Machines for expansion;
2. Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company;
3. General corporate purposes;

(Collectively referred as the “Objects”)

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchange and enhancement of our Company’s brand name. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

The main objects clause and the objects ancillary to the main objects clause as set out in the Memorandum of Association enables our Company to undertake its existing activities and the activities for which funds are being raised by our Company through the Issue.

Net Proceeds

The details of the Net Proceeds are set forth below:

Particulars	Amount (₹ in lakhs)	% of Net Proceeds
Funding capital expenditure requirement of our Company towards purchase of Embroidery Machines for expansion	557.41	[●]
Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company	400.00	[●]
General corporate purposes	[●]	[●]
Net proceeds	[●]	[●]

Schedule of implementation, requirement of funds and utilization of net proceeds

The Net Proceeds are proposed to be utilised and are currently expected to be deployed in accordance with the schedule set forth below:

Particulars	Total estimated cost	Amount to be financed from Net Proceeds	Estimated utilization of Net Proceeds in FY 2025
			(₹ in lakhs)
Funding capital expenditure requirement of our company towards purchase of Embroidery Machines for expansion	557.41	557.41	557.41
Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our company	400.00	400.00	400.00
General corporate purposes*	[●]	[●]	[●]
Total	[●]	[●]	[●]

* Amount utilized for general corporate purposes shall not exceed 25% of the gross proceeds of the issue

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, and other commercial and technical factors. However, such fund requirements and deployment of funds have not been appraised by any bank, or financial institution. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition, negotiation with vendors, variation in cost estimates on account of factors, and other external factors such as changes in the business environment and interest or exchange rate fluctuations, 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 our management, subject to compliance with applicable laws.

In the event that the estimated utilization of the Net Proceeds in a scheduled financial year is not completely met, due to the reasons stated above, the same shall be utilised in the next financial year, as may be determined by our Company, in accordance with applicable laws. Subject to applicable laws, in the event of any increase in the actual utilization of funds earmarked for the purposes set forth above, such additional funds for a particular activity will be met by way of means available to us, including from internal accruals and any additional equity and/or debt arrangements. Further, if the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Net Proceeds in accordance with the SEBI ICDR Regulations.

Means of finance

Since the entire fund requirement of ₹ [●] lakhs will be met from the Net Proceeds hence, no amount is proposed to be raised through any other means of finance. Accordingly, we are in compliance with the requirements prescribed under Paragraph 9(C)(1) of Part A of Schedule VI and Regulation 230 (1)(e) of the SEBI ICDR Regulations which require firm arrangements of finance to be made through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Issue and existing identifiable internal accruals. In case of a shortfall in the Net Proceeds or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals.

Details of the Objects of the Issue

1. Funding capital expenditure requirement of our Company towards purchase of Embroidery Machines for expansion

We are engaged in the business of carrying in India or abroad the processing, re-processing, converting, researching, developing, preparing, dyeing, producing, developing, manufacturing, trading, agents, supplies, wholesaler, retailing, formulating, acquiring, dealing in, buying, selling, storing, importing & exporting all kinds of Textiles, textile products, Garments, Garments Products, yarns, suiting, shirting, cotton yarn, spun, synthetic, polyester, dyed yarn, combed, gassed & mercerized yarn, silk, wool, knitted fabric, fibres, dyes, cloth, garments, readymade garments, cushions, pillows, mattresses, canvas, terry towels, terry products, bath robes, terry cloth, shearing cloth and derivatives, rugs, by-products, intermediates and mixtures thereof. Our company proposes to utilise an amount of up to ₹ 557.41 lakhs from net proceeds towards purchase of embroidery machines which will help the company to enhance the quality and the quantity of production.

Objectives of Capital Expenditure towards purchasing of new embroidery machines

- a. **Expansion of our operational capacity:** To cater to the growing demand from our existing customers and to meet requirements of new customers, we intend to invest the embroidery machines which will help in improving the efficiency and the quality of work.
- b. **Widen our product portfolio:** Our Company aims to expand and diversify our product portfolio by increasing its product base and introducing new range of product lines. We plan to enter into manufacturing activities in order to capture future growth trends. We intend to explore opportunities to expand our operations by developing new products and services within our existing lines of business. Further expanding our service offerings will help us to build on existing diversification of our business. We believe that maintaining a variety in range of products in our business provides us with an opportunity to cater to diverse needs of different customer segment.
- c. **Centralize Manufacturing activities:** This proposed manufacturing facility would enable us to achieve greater efficiency in reducing time taken for and the cost of manufacturing our products, from design to commercial production and, in our in-house testing and quality assurance processes, resulting in higher profit margins.

The details of the capital expenditure of ₹ 557.41 lakhs proposed to be incurred is as follows:

Sr. no.	Date of quotation	Description & quotation number	reference	Vendor	Unit / quantity	Amount per unit / quantity (₹ in lakhs)	Total amount (₹ in lakhs)	Validity
1.	March 02, 2024	Embroidery machine-923*400*850*1500 flat computerized embroidery machine with trimmer with one side tripple beads with dual sequence with one side coarding device with standard spare parts and accessories.		Unik Embroidery	4.00	39.34	157.36	March 01, 2025

Sr. no.	Date of quotation	Description & quotation number	reference	Vendor	Unit / quantity	Amount per unit / quantity (₹ in lakhs)	Total amount (₹ in lakhs)	Validity
Quotation No: A054								
2.	March 02, 2024	Embroidery machine-636*250*750*1500 flat computerized embroidery machine with trimmer with one side tripple beads with dual sequence with standard spare parts and accessories.		Unik Embroidery	4.00	48.16	192.64	March 01, 2025
Quotation No: A054								
3.	March 02, 2024	Yuemei brand multihead computerized embroidery machine. Needle:12, Head:23, Area 400*800*1500 With – Trimmer, 1200 RPM Speed, One side twin sequence, one side simple cording, C5 Pentograph, Mist oil standard parts and accessories		Om Satya EXIM Pvt. Ltd.	4.00	28.35	113.41	March 01, 2025
Quotation No. 68450								
4.	March 02, 2024	Yuemei brand multihead computerized embroidery machine. Needle:12, Head:23, Area 400*800*1500 With – Trimmer, 1200 RPM Speed, One side twin sequence three beads, one side simple cording, C5 Pentograph, Mist oil standard parts and accessories		Om Satya EXIM Pvt. Ltd.	2.00	47.00	94.00	March 01, 2025
Quotation No. 68450								
Total							557.41	

Notes:

- We have considered the above quotations for the budgetary estimate purpose and have not placed orders for them. The above costs is excluding taxes such as GST, TCS etc.
- The actual cost of procurement and actual supplier/dealer may vary.
- We are not acquiring any second hand machinery.
- All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus. However, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the machineries/equipment's or at the same costs.
- The machinery/equipment models and quantity to be purchased are based on the present estimates of our management. The Management shall have the flexibility to revise such estimates (including but not limited to change of vendor or any modification/addition/deletion of machineries or equipment's) at the time of actual placement of the order. In such case, the Management can utilize the surplus of proceeds, if any, arising at the time of actual placement of the order, to meet the cost of such other machinery, equipment's or utilities as required. Furthermore, if any surplus / deficit of the proceeds for meeting the total cost of machineries shall be used / adjusted in General Corporate Purposes, subject to limit of 25% of the amount raised by our Company through this Issue.
- The order for 100% of equipment's having value Rs. 557.41 lakhs are yet to be placed. Placing the order will require certain advance payment and commitment for balance payment.
- The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of machineries proposed to be acquired by us at the actual time of purchase, resulting in increase in the estimated cost. Any extra cost above the cost mentioned would be met out of our internal accruals.

Rationale of the machines

1. Embroidery machine-923*400*850*1500 flat computerized embroidery machine

This machine comes with 9 Needles and 23 head of machines. With the help of this machine, 23 unit works at a time for embroidery work.

2. Embroidery machine-636*250*750*1500 flat computerized embroidery machine

This is a computerised embroidery machine with 6 needles and 36 heads. This machine will help the company in increasing the production as 36 unit works at a time.

3. Yuemei brand multihead computerized embroidery machine with one side sequence

This machine helps to do the embroidery and sequencing on single line on both side.

4. Yuemei brand multihead computerized embroidery machine with one side sequence and three beads.

This machine help to add Embroidery and sequencing with 3 line at same time on a bed sheet.

2. Prepayment or repayment of all or a portion of certain outstanding borrowings availed by our Company

Our Company has entered into various financing arrangements from time to time, with various lenders. The financing arrangements availed by our Company include, inter alia, unsecured loans, term loans and working capital facilities. For further details, please refer “Financial Indebtedness” on page 152.

As at December 31, 2023, our total outstanding borrowings amounted to Rs. 6,739.19 lakhs. Our Company proposes to utilise an estimated amount of up to ₹ 400.00 lakhs from the Net Proceeds towards pre- payment or scheduled repayment of all or a portion of certain loans availed by our Company. Given the nature of these borrowings and the terms of repayment or pre-payment, the aggregate outstanding amounts under these borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, repay or refinance some of their existing borrowings or avail of additional credit facilities. If at the time of the Prospectus, any of the below mentioned loans are repaid in part or full or refinanced or if any additional credit facilities are availed or drawn down or if the limits under the working capital borrowings are increased, then our Company may utilise the Net Proceeds for part or full pre-payment / repayment of any such refinanced facilities or repayment of any additional facilities obtained by our Company and details of such borrowings will be included in the Prospectus. However, the aggregate amount to be utilised from the Net Proceeds towards repayment or pre-payment of certain of our borrowings (including refinanced or additional facilities availed, if any), in part or full, would not exceed ₹ 400.00 Lakhs. We believe that such repayment/ pre-payment will help reduce our Company’s outstanding indebtedness and debt servicing costs and enable utilisation of our Company’s internal accruals for further investment in our Company’s business growth and expansion. Additionally, our Company believes that the leverage capacity of our Company will improve its ability to raise further resources in the future to fund potential business development opportunities and plans to grow and expand our business.

The selection of borrowings proposed to be repaid/ prepaid out of the borrowings provided below, shall be based on various factors including (i) cost of the borrowings to our Company, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our Company’s ability to prepay the borrowings and time taken to fulfil such requirements, (iii) receipt of consents for prepayment or waiver from any conditions attached to such prepayment from our respective lenders, prior to completion of the Offer; (iv) terms and conditions of such consents and waivers, (v) levy of any prepayment penalties and the quantum thereof, (vi) provisions of any law, rules, regulations governing such borrowings, and (vii) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan.

The following table provides details of certain of the borrowings availed by our Company, which are currently proposed to be fully or partially repaid (earlier or scheduled) or pre-paid from the Net Proceeds:

Sr. No.	Name of the Lender	Sanction Number	Date of the Loan	Nature of Loan	Purpose	Amount Sanctioned	Rate of Interest	Tenor and repayment schedule	Prepayment terms / Penalty	Amount outstanding as at		
										December 31, 2023	May 2024	01,
1.	Axis Bank Limited	AXISB/SME/MUMBAI	February 17, 2023	EPC/PC FC/CC	Working Capital	8.40 Cr.	Repo+ 4%	Auto Renewable Every Year	NIL	7.96 Cr.	8.40 Cr.	

In accordance with Clause 9(A) (2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations, we have obtained a certificate dated May 13, 2024 from the Statutory Auditors MASD & Co. LLP, (ICAI Firm Registration No.: 146249W), certifying that the borrowings have been utilized towards the purposes for which such borrowings were availed by us. For further details, see "Financial Indebtedness" on page 152 of this Draft Red Herring Prospectus.

3. General corporate purposes

Our Company proposes to deploy the balance proceeds, aggregating to ₹ [●] lakhs, towards general corporate purposes as approved by our management from time to time, subject to such utilisation not exceeding 25% of the gross proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise net proceeds include, business development initiatives, meeting any expense including salaries, rent, administration costs, insurance premiums, repairs and maintenance, payment of taxes and duties, and similar other expenses incurred in the ordinary course of our business or towards any exigencies. The quantum of utilisation of funds towards each of the above purposes will be determined by our board, based on the amount actually available under this head and the business requirements of our Company, from time to time, subject to compliance with applicable law.

In addition to the above, our Company may utilise the net proceeds towards other purposes considered expedient and as approved periodically by our board, subject to compliance with necessary provisions of the Companies Act. Our Company's management shall have flexibility in utilising surplus amounts, if any. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of net proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of net proceeds in a financial year, we will utilize such unutilized amount in the subsequent financial years.

Issue related expenses

The break-up for the estimated issue related expenses are as set forth below:

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

Notes:

1. The fund deployed towards issue expenses is ₹ 32.52 lakhs pursuant to certificate issued by our Statutory and Peer Review Auditors M/s MASD & Co. LLP, Chartered Accountants dated May 13, 2024 and the same will be recouped out of issue expenses.
2. Includes Selling commission payable to registered broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non – Institutional Applicants, would be [●] % on the allotment amount on the application wherein shares are allotted.
3. Includes commission/Processing fees of ₹ [●] per valid application forms for SCSBs. In case the total processing fees payable to SCSBs exceeds ₹ [●] lakhs, then the amount payable to SCSBs would be proportionately distributed based on the number of valid applications such that the total Processing Fees payable does not exceed ₹ [●] lakhs.

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

Accordingly, Syndicate / sub-Syndicate Member shall not be able to Bid the Application Form above ₹ 5 lakhs and the same Bid cum Application Form need to be submitted to SCSB for blocking of the fund and uploading on the Stock Exchange bidding platform. To identify bids submitted by Syndicate / sub-Syndicate Member to SCSB a special Bid-cum-application form with a heading / watermark “Syndicate ASBA” may be used by Syndicate / sub-Syndicate Member along with SM code and broker code mentioned on the Bid cum Application Form to be eligible for brokerage on allotment. However, such special forms, if used for RIB and NIB bids up to ₹ 5 lakhs will not be eligible for brokerage.

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/CIR/P/2021/570 dated June 2, 2021, read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, and such payment of processing fees to the SCSBs shall be made in compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

Appraisal by Appraising Agency

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

Interim use of Net Proceeds

The Net Proceeds pending utilisation for the purposes stated in this section, shall be deposited only with scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended. In accordance with Section 27 of the Companies Act, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Bridge Financing Facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, 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.

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 Promoters or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

Other confirmations

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

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

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the BRLM on the basis of an assessment of market demand for the Equity Shares issued through the book building process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares of our Company is ₹10/- each and the Issue Price is [●] times of the face value.

Investors should read the following basis with the section titled “*Risk Factors*” and chapters titled “*Restated Financial Statements*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and “*Our Business*” beginning on page 29,149, 155 and 101 respectively, of this Draft Red Herring Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of our Company could decline due to these risk factors and you may lose all or part of your investments.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for computing the Issue Price are:

1. *Purchase of higher quality thread count fabric at lower price.*

Fine lines begin with higher thread count, to get higher thread count one requires high quality of the cotton that depends on the length of the individual fibers. High thread count bedding is used in all the western countries as it is the status symbol for the rich, as the higher the count the better the fabric. By procuring surplus or slightly imperfect fabric in bulk from our suppliers, we benefit from advantageous pricing, allowing us to acquire these materials at a reduced cost. This strategic sourcing enables us to offer modified and customized products to our customers at discounted prices. Our ability to obtain these fabrics at a lower expense translates into significant cost savings, which we pass on to our customers, ensuring that they can enjoy high-quality, tailor-made products at affordable rates.

2. *Experienced promoters and dedicated employee base*

Our promoter’s experience in the textile sector has allowed us to quickly respond to market developments by identifying emerging trends and adapting our product offerings accordingly. Through their extensive industry experience and wide network of contacts, our promoters have been able to identify and pursue our customers. This has allowed us to expand our operational capacities by leveraging the resources and expertise of other organizations.

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

To cater to the growing demand from our existing customers and to meet the requirements of new customers, we intend to invest in embroidery machines, which will help to improve the efficiency and the quality of work. We believe in providing quality products to our customers. We are devoted to quality assurance. We believe that our quality products have earned us goodwill from our customers, which has resulted in customer retention and order repetition and also new addition to the customer base. We provide products with competitive rates.

For further details, please refer to the paragraph titled “*Our Competitive Strengths*” in the section titled “*Our Business*” on page 101 of this Draft Red Herring Prospectus.

Quantitative factors

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

1. **Basic and Diluted Earnings Per Share (EPS):**

Financial Year	Basic & Diluted EPS (in ₹)	Weights
March 31, 2023	1.65	3
March 31, 2022	2.20	2
March 31, 2021	0.31	1
Weighted Average EPS	1.61	
December 31, 2023 (Not annualised)	0.70	

Notes:

1. Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. sum of (EPS x Weight) for each year / Total of weights.
2. Basic and diluted EPS are based on the Restated Financial Statements.
3. The face value of each Equity Share is ₹10/-.
4. Earnings per Share (₹) = Profit after tax excluding exceptional items before other comprehensive income attributable to equity shareholders for the year/period divided by the weighted average no. of equity shares during the respective year/period.;
5. The figures disclosed above are based on the Restated Financial Statements.

2. Price/Earning (P/E) ratio in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E at the Floor Price (number of times)*	P/E at the Cap Price (number of times)*
P/E ratio based on Basic EPS for Financial Year 2023	[●]	[●]
P/E ratio based on Diluted EPS for Financial Year 2023	[●]	[●]

*To be updated at Prospectus stage.

Note: Price / earning (P/E) ratio is computed by dividing the price per share by earnings per share

Industry Peer Group P/E ratio

Particulars	Industry P/E (Number of times)
Industry	
Highest	91.06
Lowest	NIL*
Average	45.53

*As company posted loss in FY 2022-23

Notes:

1. The industry high and low has been considered from the industry peer set provided later in this section. The industry composite has been calculated as the arithmetic average P / E of the industry peer set disclosed in this section.
2. P/E Ratio has been computed based on the closing market price of equity shares on the NSE website on May 21, 2024 divided by the Diluted EPS for the period ended March 31, 2023.
3. All the financial information for listed industry peers mentioned above is sourced from the Annual Report of the relevant companies for Fiscal 2023, as available on the websites of the Stock Exchanges.

3. Return on Net Worth (RONW)

Derived from restated financial statements:

Financial Years	Return on Net Worth (RONW)	Weights
March 31, 2023	11.32%	3
March 31, 2022	20.33%	2
March 31, 2021	3.55%	1
Weighted Average RONW	13.03%	
December 31, 2023 (Not annualised)	4.67%	

*Source: Restated Financial Statements

Notes:

- a. Weighted Average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. sum of (RoNW x Weight) for each year / Total of weights.
- b. The figures disclosed above are based on the Restated Financial Statements of our Company.
- c. Return on Net Worth (%) = Restated Profit/(loss) attributable to owners of the holding company/ net worth at the end of the year/ period.
- d. Net-worth, as restated at the end of the relevant period (Equity attributable to the owners of the Company, excluding non-controlling interest)

4. Net Asset Value (NAV) per Equity Share (face value of ₹ 10/- each)

Net Asset Value per Equity Share derived from the Restated Financial Statements:

Particulars	Amount (₹)
Net Asset Value per Equity Share as of December 31, 2023 (Not Annualised)	14.90
Net Asset Value per Equity Share as of March 31, 2023	28.41
Net Asset Value per Equity Share as of March 31, 2022	734.21
Net Asset Value per Equity Share as of March 31, 2021	584.92
After completion of the Issue	
(i) At Floor Price	[●]
(ii) At Cap Price	[●]
Issue Price per equity share	[●]

Notes:

1. Net Asset Value per Equity Share is calculated as total equity divided by weighted average number of equity shares outstanding during the respective year/period.

5. Comparison with listed industry peer:

Following is the comparison with our peer companies listed in India:

Name of the Company	For the year ended March 31, 2023	Face value (₹)	Revenue from operations (₹ in Lakhs) ⁽¹⁾	Basic EPS (₹)	Diluted EPS (₹)	P/E (based on Diluted EPS)	Return on average worth (%)	on net	NAV per Equity Share (₹)
Neelam Linens and Garments Limited (India)		10	10,356.30	1.65	1.65	[●]	13.32%		14.90
Peer Group									
Loyal Textile Mills Limited		10	1,40,289	5.91	5.91	111.24	0.78%		748.00
Bannari Amman Spinning Mills Limited		5	1,39,857.09	(3.49)	(3.49)	-	(8.42%)		72.07

Source: All the financial information for listed industry peers mentioned above is on a standalone basis sourced from the Annual Reports of the peer company uploaded on the NSE website for the year ended March 31, 2023.

Notes:

1. P/E Ratio has been computed based on the closing market price of equity shares on the NSE on May 21, 2024 divided by the Diluted EPS of March 31, 2023.
2. RoNW is computed as net profit after tax divided by the closing net worth. Net worth has been computed as sum of share capital and reserves and surplus.
3. NAV is computed as the closing net worth divided by the weighted average number of equity shares.

Investors should read the above mentioned information along with “Risk Factors”, “Our Business”, “Management Discussion and Analysis of Financial Position and Results of Operations” and “Financial Information” on pages 29, 101, 155 and 149, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the “Risk Factors” and you may lose all or part of your investments.

6. Key financial and operational performance indicators (“KPIs”)

The KPIs disclosed below have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of various verticals.

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 Section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations.

Explanation for KPI metrics

KPI	Explanations
Revenue from Operations (₹ Lakhs)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Total Revenue	Total Revenue is used to track the total revenue generated by the business including other income.
EBITDA (₹ Lakhs)	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Profit after Tax (₹ Lakhs)	Profit after tax provides information regarding the overall profitability of the business.
PAT Margi006E	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.
Debt To Equity Ratio	Debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage.
Interest Coverage Ratio	The interest coverage ratio is a debt and profitability ratio used to determine how easily a company can pay interest on its outstanding debt.
Return on Capital employed (RoCE) (%)	It is calculated as profit before tax plus finance costs divided by total equity plus non-current liabilities.
Current Ratio	It tells management how business can maximize the current assets on its balance sheet to satisfy its current debt and other payables.
Net Capital Turnover Ratio	This metric enables us to track the how effectively company is utilizing its working capital to generate revenue.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated April 25, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this DRHP. Further, the KPIs herein have been certified by MASD & Co. LLP, by their certificate dated May 13,2024.

Key Performance Indicators of our Company

Financial Metrics	As of and for the period ended December 31, 2023		As of and for the Fiscal	
		2023	2022	2021
Revenue From operations (₹ in Lakhs)	5922.12	10,356.30	10,152.67	7,819.71
Total revenue (₹ in Lakhs)	6,078.18	10,541.13	10,379.69	8,017.82
EBITDA (₹ in Lakhs)	502.37	652.52	593.61	186.38
EBITDA Margin (%)	8.48%	6.30%	5.85%	2.38%
Profit after tax (₹ in Lakhs)	102.99	237.88	298.58	41.53
PAT Margin (%)	1.74%	2.30%	2.94%	0.53%
Return on Equity (ROE) (%)	4.78%	13.32%	22.63%	3.46%
Debt To Equity Ratio	3.06	3.11	3.48	4.50
Interest Coverage Ratio	1.33	1.90	2.33	1.13
Return on Capital Employed (ROCE) (%)	8.92%	13.64%	16.74%	7.89%
Current Ratio	1.80	1.87	1.64	1.63
Net Capital Turnover Ratio	1.48	3.40	4.84	3.82

- Notes:
- As certified by MASD & Co. LLP, Chartered Accountants pursuant to their certificate dated May 13,2024. The Audit committee in its resolution dated April 25, 2024 has confirmed that the Company has not disclosed any KPIs to any investors at any point of time during the three years preceding the date of this Draft Red Herring Prospectus other than as disclosed in this section.
 - Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.

- c) EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from discontinued operations and exceptional items. EBITDA excludes other income but includes reversal of provision of doubtful debts.
- d) EBITDA Margin refers to EBITDA during a given period as a percentage of revenue from operations during that period.
- e) Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes but before other comprehensive income by our revenue from operations.
- f) Return on equity (RoE) is equal to profit after tax for the year divided by the total equity during that period and is expressed as a percentage.
- g) Debt to equity ratio is calculated by dividing the debt (excluding lease liabilities) by total equity (which includes issued capital and all other equity reserves).
- h) Interest Coverage Ratio measures our ability to make interest payments from available earnings and is calculated by dividing EBITDA by interest cost payment.
- i) RoCE (Return on Capital Employed) (%) is calculated as profit before tax plus finance costs divided by total equity plus non-current liabilities.
- j) Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.
- k) Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our working capital (i.e., current assets less current liabilities).

See “Management Discussion and Analysis of Financial Position and Results of Operations” on page 155 for the reconciliation and the manner of calculation of our key financial performance indicators.

7. Comparison of financial KPIs of our Company and our listed peer.

Metric	NEELAM LINENS AND GARMENTS (INDIA) LIMITED			BANNARI AMMAN SPINNING MILLS LIMITED		
	As of and for the Fiscal			As of and for the Fiscal		
	2023	2022	2021	2023	2022	2021
Revenue From operations (₹ in Lakhs)	10,356.30	10,152.67	7,819.71	1,39,857.09	1,56,023.95	1,01,853.73
Total revenue (₹ in Lakhs)	10,541.13	10,379.69	8,017.82	1,40,571.06	1,56,628.79	1,02,371.88
EBITDA (₹ in Lakhs)	652.52	593.61	186.38	5,184.02	17,275.64	8,272.51
EBITDA Margin (%)	6.30%	5.85%	2.38%	3.71%	11.07%	8.12%
Profit after tax (₹ in Lakhs)	237.88	298.58	41.53	(2,264.83)	5,620.00	(1,038.35)
PAT Margin (%)	2.30%	2.94%	0.53%	(1.62%)	3.60%	(1.02%)
Return on Equity (ROE) (%)	13.32%	22.63%	3.46%	(4.72%)	13.55%	(3.50%)
Debt To Equity Ratio	3.11	3.48	4.50	1.33	1.06	1.73
Interest Coverage Ratio	1.90	2.33	1.13	0.39	2.72	0.80
Return on Capital Employed (ROCE) (%)	13.64%	16.74%	7.89%	2.15%	13.14%	8.82%
Current Ratio	1.87	1.64	1.63	1.32	1.34	0.86
Net Capital Turnover Ratio	3.40	4.84	3.82	9.43	10.57	(13.64)

Metric	NEELAM LINENS AND GARMENTS (INDIA) LIMITED			LOYAL TEXTILE MILLS LIMITED		
	As of and for the Fiscal			As of and for the Fiscal		
	2023	2022	2021	2023	2022	2021
Revenue From operations (₹ in Lakhs)	10,356.30	10,152.67	7,819.71	1,40,289.39	1,76,286.81	1,12,180
Total revenue (₹ in Lakhs)	10,541.13	10,379.69	8,017.82	1,43,821.23	1,77,178.42	1,12,485
EBITDA (₹ in Lakhs)	652.52	593.61	186.38	6,853.92	20,397.73	11,108
EBITDA Margin	6.30%	5.85%	2.38%	4.89%	11.57%	9.90%

Metric	NEELAM LINENS AND GARMENTS (INDIA) LIMITED			LOYAL TEXTILE MILLS LIMITED		
	As of and for the Fiscal			As of and for the Fiscal		
	2023	2022	2021	2023	2022	2021
(%)						
Profit after tax (₹ in Lakhs)	237.88	298.58	41.53	284.42	9,705.09	3,284
PAT Margin (%)	2.30%	2.94%	0.53%	0.20%	5.51%	2.93%
Return on Equity (ROE) (%)	13.32%	22.63%	3.46%	0.79%	30.79%	12.26%
Debt To Equity Ratio	3.11	3.48	4.50	1.84	1.70	1.27
Interest Coverage Ratio	1.90	2.33	1.13	1.09	4.28	1.94
Return on Capital Employed (ROCE) (%)	13.64%	16.74%	7.89%	3.12%	17.05%	12.87%
Current Ratio	1.87	1.64	1.63	0.97	1.02	0.92
Net Capital Turnover Ratio	3.40	4.84	3.82	(50.55)	49.11	(22.71)

Notes:

- Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
- Gross Profit is calculated as Revenue from Operations less Cost of Materials consumed, Purchase of Traded goods, Changes in inventories of finished goods and work-in-progress.
- Gross margin refers to gross profit as a % of total revenues earned during a financial year.
- EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from discontinued operations and exceptional items. EBITDA excludes other income but includes reversal of provision of doubtful debts.
- EBITDA Margin refers to EBITDA during a given period as a percentage of revenue from operations during that period.
- Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by our revenue from operations.
- Return on equity (RoE) is equal to profit for the year divided by the total equity during that period and is expressed as a percentage.
- Debt to equity ratio is calculated by dividing the debt (i.e., borrowings (current and non-current) and current maturities of long-term-borrowings) by total equity (which includes issued capital and all other equity reserves).
- Interest Coverage Ratio measures our ability to make interest payments from available earnings and is calculated by dividing cash profit after tax plus interest payment by interest payment.
- RoCE (Return on Capital Employed) (%) is calculated as profit before tax plus finance costs divided by total equity plus non-current liabilities.
- Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.
- Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our working capital (i.e., current assets less current liabilities).
- Return on Net Worth (RoNW) is a measure of profitability (expressed in percentage) and is defined as net profit after tax attributable to our equity shareholders divided by our Net Worth (total shareholders' equity) for the year. "Net Worth" is defined as the aggregate of share capital and other equity.

** All the information for listed industry peer mentioned above is on a standalone basis and is sourced from their respective audited/unaudited financial results and/or annual report.

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

a) Primary Transactions:

Price per share of Issuer Company based on primary / new issue of shares, excluding issuance of bonus shares, during the 18 months preceding the date of filing of the DRHP / RHP, where such issuance is equal to or more than 5 per cent of the fully diluted paid-up share capital of the Issuer Company (calculated based on the pre-issue capital before such transaction/s), in a single transaction or multiple transactions combined together over a span of rolling 30 days;

Date of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ Lakhs)
June 30, 2023	74,00,000	10	NA	Bonus Issue	Other than Cash	NIL
Weighted average cost of acquisition (WACA)						NIL

b) Secondary Acquisition:

Price per share of Issuer Company based on 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), 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. ("Secondary Transactions")

Date of Transfer	Name of Transferor	Name of Transferee	No. of Securities*	Nature of Securities	Face value of Securities (₹)	Price of securities	Nature of transaction	Nature of consideration	Total Consideration
January 03, 2024	Bavin Jethwa	Narendra Patel	(1,50,000)	Equity	10	33	Transferred	Cash	49,50,000
January 03, 2024	Bavin Jethwa	Abhik Patel	(3,00,000)	Equity	10	33	Transferred	Cash	99,00,000
January 03, 2024	Bavin Jethwa	Chintan Mehta	(3,00,000)	Equity	10	33	Transferred	Cash	99,00,000
Total			7,50,000						2,47,50,000
Weighted Average Cost of Acquisition per share									NA

Weighted average cost of acquisition, Floor Price and Cap Price

Based on the disclosures in (a) and (b) above, the weighted average cost of acquisition of Equity Shares as compared with the Floor Price and Cap Price is set forth below:

Past Transactions	Weighted average cost of acquisition (₹)	Floor Price ₹ [●]	Cap Price ₹ [●]
Weighted average cost of acquisition(WACA) of Primary issuances	NIL	[●]	[●]
Weighted average cost of acquisition(WACA) of secondary transactions	NA	[●]	[●]

9. Justification for Basis of Issue Price

Explanation for Issue Price / Cap Price being [●] times of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares along with our Company's KPIs and financial ratios for period ended December 31, 2023 and for the year ended on March 31, 2023, March 31, 2022, and March 31, 2021.

[●]*

*To be included upon finalization of Price Band

10. The Issue Price is [●] times of the Face Value of the Equity Shares.

The issue Price of ₹ [●] has been determined by our Company in consultation with the BRLM, on the basis of market demand from investors for Equity Shares, as determined through the Book Building Process, and is justified in view of the above qualitative and

quantitative parameters. Investors should read the above-mentioned information along with “*Risk Factors*”, “*Our Business*”, “*Management Discussion and Analysis of Financial Position and Results of Operations*” and “*Financial Information*” on pages 29,101,155 and 149, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the “*Risk Factors*” and you may lose all or part of your investments.

STATEMENT OF SPECIAL TAX BENEFITS

To,

The Board of Directors

Neelam Linens and Garments (India) Limited

446-447, 4th Floor, Shah & Nahar Industrial Estate Sitaram Jadav marg,
Lower Parel, Delisle, Road, Mumbai City
Maharashtra, 400013

Dear Sir(s):

Sub: Proposed initial public offering of equity shares of Rs. 10/- each (“the Issue”) of Neelam Linens and Garments (India) Limited (“the Company”)

We report that the enclosed statement in Annexure A, states the possible special tax benefits available to the Company and to its shareholders under the applicable tax laws presently in force in India including the Income Act, 1961 (‘Act’), as amended by the Finance Act, 2021 i.e. applicable for FY 2022-23 and AY 2023-24, and other direct tax laws 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 statute. Hence, the Neelam Linens and Garments (India) Limited of the Company or its shareholders to derive the stated special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

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

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

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

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

The benefits discussed in the enclosed statement are not exhaustive nor are they conclusive. The contents stated in the annexure are based on the information, explanations and representations obtained from the Company.

We hereby give consent to include this statement of tax benefits in the Draft Red Herring Prospectus, Red Herring Prospectus, the Prospectus and submission of this certificate as may be necessary, to the Stock Exchange/ SEBI/ any regulatory authority and/or for the records to be maintained by the Book Running Lead Manager in connection with the Issue and in accordance with applicable law.

Terms capitalized and not defined herein shall have the same meaning as ascribed to them in the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus.

Yours sincerely,

For MASD & CO. LLP,

Chartered Accountants

Firm Registration No.: 146249W

CA. Aakash Mehta

Membership No.: 165824

Place: Mumbai

UDIN: 24165824BKBZJN9964

Annexure – A

ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

The information provided below sets out the possible special tax benefits available to the Company and the Equity Shareholder under the Income Tax Act 1961 (read with the rules, circulars and notifications issued in connection thereto), as amended by the Finance Act, 2021 presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the 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 TAX BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE ACT”)

The Company is not entitled to any Special tax benefits under the Income Tax Act, 1961 except below:

- 1) Total income as per section 115JB (9 of Schedule MAT)

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (THE “ACT”)

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

Note:

- We have not considered the general tax benefits available to the Company, or shareholders of the Company.
- The above is as per the Tax Laws as on date.
- The above Statement of possible 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 the existing and potential tax consequences of the purchase, ownership and disposal of Equity Shares.
- This Statement does not discuss any tax consequences in any country outside India of an investment in the Equity Shares. The subscribers of the Equity Shares in the country other than India are urged to consult their own professional advisers regarding possible income –tax consequences that apply to them.
- No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

SECTION V – ABOUT THE COMPANY

INDUSTRY OVERVIEW

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

Industry sources and publications are also prepared based on information as on specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts, and assumptions that may prove to be incorrect and, accordingly, investment decisions should not be based on such information. You should read the entire Draft Red Herring Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Information” and related notes beginning on page 29 and 149 of Draft Red Herring Prospectus.

INTRODUCTION

GLOBAL OUTLOOK

The global recovery is slowing amid widening divergences among economic sectors and regions:

Global growth is projected to fall from an estimated 3.5 percent in 2022 to 3.0 percent in both 2023 and 2024. While the forecast for 2023 is modestly higher than predicted in the April 2023 World Economic Outlook (WEO), it remains weak by historical standards. The rise in central bank policy rates to fight inflation continues to weigh on economic activity. Global headline inflation is expected to fall from 8.7 percent in 2022 to 6.8 percent in 2023 and 5.2 percent in 2024. Underlying (core) inflation is projected to decline more gradually, and forecasts for inflation in 2024 have been revised upward.

In most economies, the priority remains achieving sustained disinflation while ensuring financial stability. Therefore, central banks should remain focused on restoring price stability and strengthen financial supervision and risk monitoring. Should market strains materialize, countries should provide liquidity promptly while mitigating the possibility of moral hazard. They should also build fiscal buffers, with the composition of fiscal adjustment ensuring targeted support for the most vulnerable. Improvements to the supply side of the economy would facilitate fiscal consolidation and a smoother decline of inflation toward target levels.

Overview of the World Economic Outlook Projections:

(Percent change, unless noted otherwise)

Particulars	2022	2023	2024
World Output	3.5	3.0	3.0
Advanced Economies	2.7	1.5	1.4
United States	2.1	1.8	1.0
Euro Area	3.5	0.9	1.5
Germany	1.8	-0.3	1.3
France	2.5	0.8	1.3
Italy	3.7	1.1	0.9
Spain	5.5	2.5	2.0
Japan	1.0	1.4	1.0
United Kingdom	4.1	0.4	1.0
Canada	3.4	1.7	1.4
Other Advanced Economies*	2.7	2.0	2.3
Emerging Market and Developing Economies	4.0	4.0	4.1
Emerging and Developing Asia	4.5	5.3	5.0
China	3.0	5.2	4.5
India [#]	7.2	6.1	6.3
Emerging and Developing Europe	0.8	1.8	2.2
Russia	-2.1	1.5	1.3

Particulars	2022	2023	2024
Latin America and Caribbean	3.9	1.9	2.2
Brazil	2.9	2.1	1.2
Mexico	3.0	2.6	1.5
Middle East and Central Asia	5.4	2.5	3.2
Saudi Arabia	8.7	1.9	2.8
Sub-Saharan Africa	3.9	3.5	4.1
Nigeria	3.3	3.2	3.0
South Africa	1.9	0.3	1.7

* Excludes the Group of Seven (Canada, France, Germany, Italy, Japan, United Kingdom, United States) and euro area countries.

For India, data and forecasts are presented on a fiscal year basis, with FY 2022/2023 (starting in April 2022) shown in the 2022 column. India's growth projections are 6.6 percent in 2023 and 5.8 percent in 2024 based on calendar year.

Core Inflation Declining More Gradually Than Headline Inflation:

Global headline inflation is set to fall from an annual average of 8.7 percent in 2022 to 6.8 percent in 2023 and 5.2 percent in 2024, broadly as projected in April, but above pre-pandemic (2017–19) levels of about 3.5 percent. About three-quarters of the world's economies are expected to see lower annual average headline inflation in 2023. Monetary policy tightening is expected to gradually dampen inflation, but a central driver of the disinflation projected for 2023 is declining international commodity prices. Differences in the pace of disinflation across countries reflect such factors as different exposures to movements in commodity prices and currencies and different degrees of economic overheating. The forecast for 2023 is revised down by 0.2 percentage point, largely on account of subdued inflation in China. The forecast for 2024 has been revised upward by 0.3 percentage point, with the upgrade reflecting higher-than-expected core inflation.

Core inflation is generally declining more gradually. Globally, it is set to decline from an annual average of 6.5 percent in 2022 to 6.0 percent in 2023 and 4.7 percent in 2024. It is proving more persistent than projected, mainly for advanced economies, for which forecasts have been revised upward by 0.3 percentage point for 2023 and by 0.4 percentage point for 2024 compared with the April 2023 WEO. Global core inflation is revised down by 0.2 percentage point in 2023, reflecting lower-than-expected core inflation in China, and up by 0.4 percentage point in 2024. On an annual average basis, about half of economies are expected to see no decline in core inflation in 2023, although on a fourth-quarter-over-fourth-quarter basis, about 88 percent of economies for which quarterly data are available are projected to see a decline. Overall, inflation is projected to remain above target in 2023 in 96 percent of economies with inflation targets and in 89 percent of those economies in 2024.

Source - [World Economic Outlook Update, July 2023: Near-Term Resilience, Persistent Challenges \(imf.org\)](#)

INDIAN OUTLOOK

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Real GDP at constant prices in the second quarter of 2022–23 is estimated at US\$ 1.94 trillion (₹ 160.06 trillion), showing a growth of 7.2% as compared to the First Revised Estimates of GDP for the year 2021–22 of US\$ 1.81 trillion (₹ 149.26 trillion), indicating a strong start for India's recovery from the pandemic. Given the release of pent-up demand and the widespread vaccination coverage, the contact-intensive services sector will probably be the main driver of development in 2022–2023. In FY22, India's service exports stood at US\$ 254.4 billion. Furthermore, India's overall exports (services and merchandise) was estimated at US\$ 770.18 billion in FY23. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

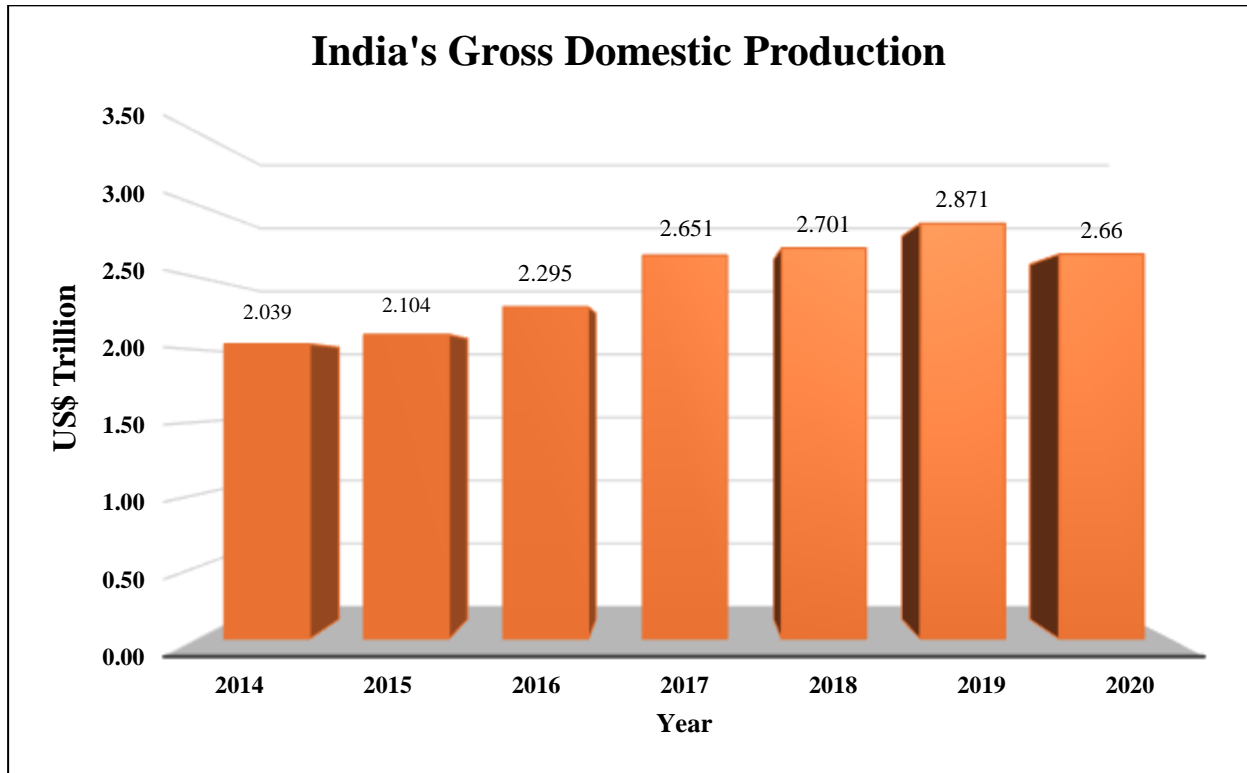
Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers, and with the revival in monsoon and the Kharif sowing, agriculture is also picking up momentum. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

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

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

India’s Market Size:

India’s nominal gross domestic product (GDP) at current prices is estimated to be at US\$ 2.07 trillion (₹ 172.9 Lakh Crores) in FY24. The growth in real GDP during 2023-24 is estimated at 7.6% as compared to 7.0% in 2022-23. With 113 unicorns valued at more than US\$ 350 billion, as of February 2023, India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, ‘Panchamrit’. Moreover, India ranked 3rd in the renewable energy country attractive index.



According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030. India's current account deficit (CAD), primarily driven by an increase in the trade deficit, stood at US\$ 10.5 billion, in the third quarter of FY24 compared to US\$ 11.4 billion or 1.3% of GDP in the preceding quarter.

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

Recent Developments

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

- As of April 12, 2024, India's foreign exchange reserves stood at US\$ 643.162 billion..
- India was also named as the 48th most innovative country among the top 50 countries, securing 40th position out of 132 economies in the Global Innovation Index 2023. India rose from 81st position in 2015 to 40th position in 2023. India ranks 3rd position in the global number of scientific publications.
- Merchandise exports in March 2024 stood at US\$ 41.68 billion, with total merchandise exports of US\$ 437.06 billion during the period of April 2023 to March 2024.
- In February 2024, the overall IIP (Index of Industrial Production) stood at 147.2. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 139.6, 144.5 and 187.1, respectively, in February 2024.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.69% in December 2023.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to Rs. 80,500 crore (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold Rs. 4,500 crore (US\$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested (US\$ 8.06 billion) in India during January-April 2024.
- The wheat procurement during RMS 2023-24 (till May) was estimated to be 262 lakh metric tonnes (LMT) and the rice procured in KMS 2023-24 was 385 LMT. The combined stock position of wheat and rice in the Central Pool is over 579 LMT (Wheat 312 LMT and Rice 267 LMT)

Government Initiatives

Over the years, the Indian government has introduced many initiatives to strengthen the nation's economy. The Indian government has been effective in developing policies and programmes that are not only beneficial for citizens to improve their financial stability but also for the overall growth of the economy. Over recent decades, India's rapid economic growth has led to a substantial increase in its demand for exports. Besides this, a number of the government's flagship programmes, including Make in India, Start-up India, Digital India, the Smart City Mission, and the Atal Mission for Rejuvenation and Urban Transformation, is aimed at creating immense opportunities in India. In this regard, some of the initiatives taken by the government to improve the economic condition of the country are mentioned below:

- On August 6th, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28th, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023.

Road Ahead

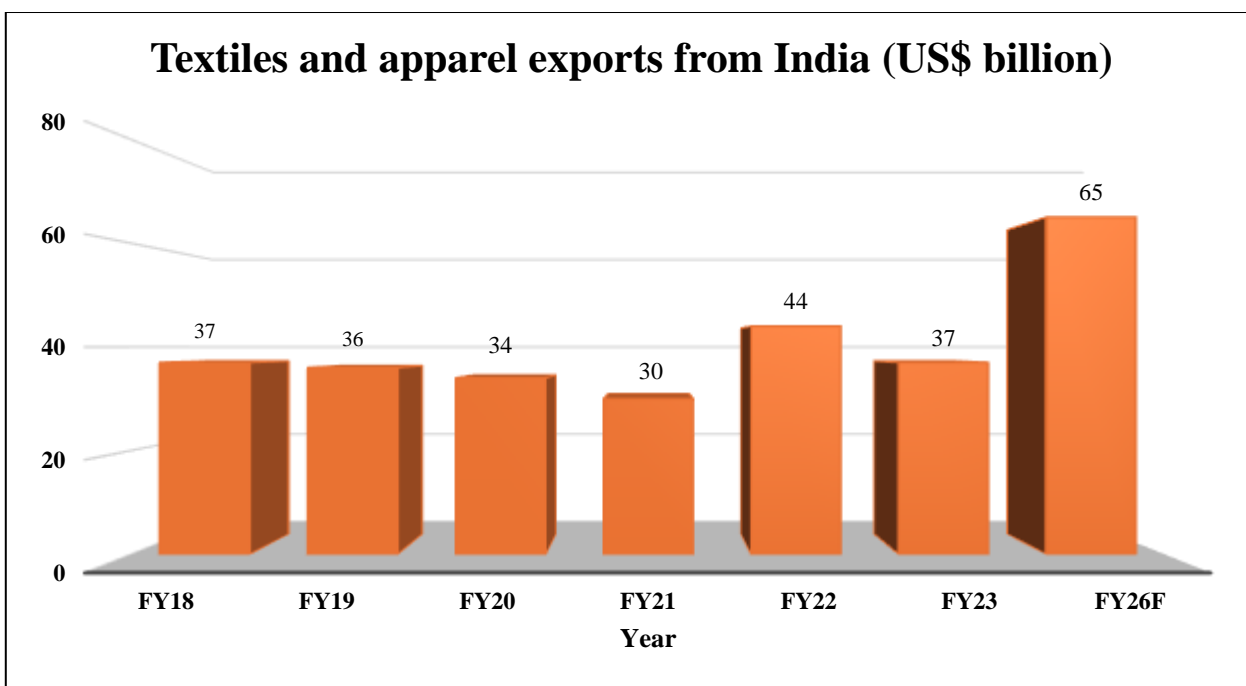
In the second quarter of FY24, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2023. India's comparatively strong position in the external sector reflects the country's generally positive outlook for economic growth and rising employment rates. India ranked 5th in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in 2023-24, stood 37.4% higher than the same period last year. In the budget of 2023-24, capital expenditure took lead by steeply increasing the capital expenditure outlay by 37.4% in Budget Estimates 2023-24 to ₹ 10 lakh crore (US\$ 120.12 billion) over ₹ 7.28 lakh crore (US\$ 87.45 billion) in Revised Estimates 2022-23. The ratio of revenue expenditure to capital outlay increased by 1.2% in the current year, signalling a clear change in favour of higher-quality spending. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

In September 2023 (Provisional), CPI-C inflation was 5.02%, down from 7.01% in June 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

Textiles and Apparel industry in India

India is the world’s second-largest producer of textiles and garments. It is also the sixth-largest exporter of textiles spanning apparel, home and technical products. India has a 4.6% share of the global trade in textiles and apparel. India is the world’s 3rd largest exporter of Textiles and Apparel. The textiles and apparel industry contributes 2.3% to the country’s GDP, 13% to industrial production and 12% to exports. The textile industry has around 45 million workers employed in the textiles sector, including 3.5 million handloom workers. India’s textile and apparel exports (including handicrafts) stood at US\$ 44.4 billion in FY22, a 41% increase YoY. The Indian textile industry has made a mark in the world with its innovative and attractive products. Total textile exports are expected to reach US\$ 65 billion by FY26. The Indian textile and apparel industry is expected to grow at 10% CAGR from 2019-20 to reach US\$ 190 billion by 2025-26. The ₹ 10,683 crore (US\$ 1.44 billion) PLI scheme is expected to be a major boost for textile manufacturers. The scheme proposes to incentivize MMF (man-made fibre) apparel, MMF fabrics and 10 segments of technical textiles products.



EXPORT HAVE POSTED STRONG GROWTH OVER THE YEARS

Exports of textiles Ready-made garment (RMG) of all textiles, cotton yarns/fabrics/made-ups/handloom products, man-made yarns/fabrics/made-ups, handicrafts excl. handmade carpets, carpets and jute manufacturing. including floor coverings) stood at US\$ 44.4 billion in FY22. India’s RMG exports are likely to surpass US\$ 30 billion by 2027, growing at a CAGR of 12-13%. During (April-March) 2022-23, the total exports of textiles stood at US\$ 36.68 billion. Textile exports reached US\$ 44.4 billion in FY22, a 41% YoY growth.



FY20, FY21, FY22 exports include textile yarn fabric, made-up articles; exports include RMG of all textiles, cotton yarn/fabrics/made-ups/handloom products, man-made yarn/fabrics/made-ups, handicrafts excluding handmade carpets, carpets, jute manufacturing including floor coverings.

Source: https://www.ibef.org/download/1699271875_Textiles_and_Apparel_August_2023.pdf

India's Top Ten Export Markets of Textile & Apparel products including Handicraft

Sr. No.	Country	Export 2022-23 USD Million	% Share
1.	USA	10,468	29%
2.	EU-27*	7,670	21%
3.	Bangladesh	2,533	7%
4.	UK	2,105	6%
5.	UAE	2,087	6%
6.	Sri Lanka	726	2%
7.	Turkey	719	2%
8.	Australia	657	2%
9.	Saudi Arab	577	2%
10.	Canada	572	2%
Sub-total		8,570	23%
Total Textiles & Apparel (including Handicraft) Exports		36,684	100%

Source: DGCI&S(Provisional)

* EU-27 includes the following countries- Austria, Belgium, Bulgaria, Croatia, Republic of Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain and Sweden.

Source: <https://texmin.nic.in/sites/default/files/India%27s%20Top%20Ten%20Export%20Markets%20of%20Textile%20%26%20Apparel%20products%20.pdf>

POLICY SUPPORT & INCENTIVES

1. Production linked incentive (PLI) scheme:

The PLI Scheme for Textiles to promote production of Manmade Fibre (MMF) apparel, MMF Fabrics and Products of Technical Textiles in the country to create 60-70 global players, attract fresh investment of USD 2.5 Bn approximately and generate almost 7.5 lakh new employment opportunities. The Production-Linked Incentive (PLI) Scheme for Textiles products: MMF segment and technical textiles is envisaged to enhance India's manufacturing capabilities and enhancing exports with an approved financial outlay of Rs 10,683 crore over a five year period. The objective is to enable Textile sector to achieve size and scale and to become competitive.

The Scheme has two parts; Part-1 envisages a minimum investment of Rs.300 crore & minimum turnover of Rs.600 crore per company; and Part-2 envisages a minimum investment of Rs.100 crore & minimum turnover of Rs.200 crore per company.

There will be two years of gestation period under the Scheme (FY: 2022-23 and FY: 2023-24). The performance years are from 2024-25 to 2028-29. - Under the PLI scheme, incentive will be provided to the companies on achieving the threshold investment and threshold turnover and thereafter incremental turnover. Under Scheme Part-1, 15% incentive will be provided on attaining required turnover in year 1. Under Scheme Part-2, 11% incentive will be provided on attaining required turnover in year 1. Incentive will be reduced by 1% every year from year 2 onward till the year 5 under both parts of the scheme

2. 100% FDI under automatic route:

Has enabled key global technical textiles players like Ahlstrom, Johnson & Johnson, Du Pont, Procter & Gamble, 3M, SKAPS, Kimberly Clark, Terram, Maccaferri, Strata Geosystems to start playing in India

3. PM-MITRA:

To attract investment for 'Make In India' initiative and to boost employment generation through setting up of 7 (Seven) PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks in Greenfield/Brownfield sites with world class infrastructure including plug and play facility with an outlay of USD 570 Mn for a period of five years.

4. Scheme for capacity building in textile sector (SAMARTH):

To address the skilled manpower requirement across textile sector, the scheme was formulated, under the broad policy guidelines of "Skill India" initiative and in alignment with the framework adopted for skilling programme by Ministry of Skill Development and Entrepreneurship.

5. National Technical Textiles Mission:

Mission launched with a view to position the country as a global leader in Technical Textiles and improve the penetration level of technical textiles in the country Mission is divided into four components: Research, Innovation and Development, Promotion and Market Development, Export Promotion and Education and Skill Development. With a total outlay of USD 190 Mn, it will be set up for a four-year implementation period from FY 2020-21 to 2023-24.

6. Status of Budget Utilization:

During the initial 2 years, the fund utilization was for meeting the liability of previous scheme i.e ISDS. Year-wise utilization of funds is as below:

(Rs. In crores)

S.No.	Financial Year	Budget Estimate	Revised Estimate	Budget Utilized
1	2017-18	173.99	100.00	100.00
2	2018-19	200.00	42.00	16.99
3	2019-20	100.50	102.10	72.06
4	2020-21	150.00	100.00	90.70
5	2021-22	100.00	90	85.69
6	2022-23	100.00	25*	7.29**
TOTAL		824.49	459.10	372.73

*Tentative revised estimate

** Fund released as on 23.12.2022

7. Rebate of State and Central Taxes and Levies (RoSCTL):

The scheme of Rebate of State and Central Taxes and Levies effective from March 2019 has been continued till 31st March 2024 for exports of Apparel/Garments and made-ups.

8. Remission of Duties and Taxes on Exported Products (RoDTEP):

Scheme for Remission of Duties and Taxes on Exported Products (RoDTEP) has been notified by Department of Commerce for reimbursement of Central, State and local level taxes/duties/levies, which are incurred in the process of manufacture and distribution of exported textile products covered under chapter 50-60. This will lead to cost competitiveness of exported products in international markets and better employment opportunities in export oriented manufacturing industries. The scheme is going to give boost to the domestic industry and Indian exports providing a level playing field for Indian producers in the International market so that domestic taxes/ duties are not exported.

9. Export Promotion Councils:

There are eleven Exports Promotion Councils (EPCs) representing various segments of the textiles & apparel value chain, viz. readymade garments, cotton, silk, jute, wool, power loom, handloom, handicrafts and carpets. These Councils work in close cooperation with the Ministry of Textiles and other Ministries to promote the growth and export of their respective sectors in global markets. The Councils participate in textiles and apparel fairs and exhibitions and standalone shows in India and in overseas markets to enhance exports and access new markets.

Source:https://static.investindia.gov.in/s3fs-public/2023-12/Textiles%20%26%20Garments_v7_Single%20page.pdf

https://texmin.nic.in/sites/default/files/English%20Final%20MOT%20Annual%20Report%202022-23%20%28English%29_0.pdf

OUR BUSINESS

Some of the information in the following section, especially information with respect to our plans and strategies, contain certain forward-looking statements that involve risks and uncertainties. You should read “*Forward Looking Statements*” on page 21 of this Draft Red Herring Prospectus for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our Company’s strengths and its ability to successfully implement its business strategies may be affected by various factors that have an influence on its operations, or on the industry segment in which our Company operates, which may have been disclosed in “*Risk Factors*” on page 29 of this Draft Red Herring Prospectus.

This section should be read in conjunction with such risk factors. This section should be read in conjunction with the “*Industry Overview*” on page 93 of this Draft Red Herring Prospectus. Our Financial Year ends on March 31 of each year, and references to a particular Financial Year are to the 12-month period ending March 31 of that year.

Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from our “*Financial Information*”, included in this Draft Red Herring Prospectus on page 149.

Unless the context otherwise requires, in this chapter, reference to “Neelam”, “we”, “us”, “our”, “Company” or “Our Company” refers to Neelam Linens and Garments (India) Limited.

Overview

Our Company was incorporated as private limited company under the name “Neelam Linens and Garments (India) Private Limited”, under the provisions of the Companies Act, 1956 and Certificate of Incorporation was issued by the Registrar of Companies, Mumbai on September 22, 2010. The status of the Company was changed to public limited, and the name of our Company was changed to “Neelam Linens and Garments (India) Limited” vide Special Resolution dated August 12, 2022. The fresh certificate of Incorporation consequent to conversion was issued on September 01, 2022, by the Registrar of Companies, Mumbai. The Corporate Identity Number of our Company is U17299MH2010PLC208010.

Our company is based in Mumbai and its registered office is located at 446-447, 4th Floor, Shah & Nahar Industrial Estate Sitaram Jadav Marg, Lower Parel, Delisle Road, Mumbai- 400013, Maharashtra, India. Our processing facility is located at Gala No. 103, 104, 105, 106, 107 First Floor, Prithvi Complex Building No A-3, Old Agra Road, Bhiwandi, Thane- 421302, Maharashtra, India, and Gala No. 201, 202, 203, 204, 205, 206, 207 and 208, Second Floor, Prithvi Complex Building No A-3, Old Agra Road, Bhiwandi, Thane-421302, Maharashtra India.

Our business are divided into two parts as under :-

1. Processing and trading of products
2. Sale of licenses

We operate as a soft home furnishing company based out of Maharashtra, India, extending our services to a global clientele, including USA, Australia and Far East. We specialize in the processing, finishing and supplying of bedsheets, Pillow cover, Duvet Cover, Towels, Rugs, Dohar, Shirts & Garments predominantly for discounted retail outlets. We source surplus or slightly imperfect fabric from the domestic market, applying value-added services such as designing, digital printing, dyeing, stitching, embroidery, and other enhancements. Subsequently, we distribute these refined products to discounted retail outlets in diverse countries.

We entered the apparel industry by starting an in-house production of men’s and women’s fashion apparel since 2023.

Our Company also earns revenue from sale of import licenses. An import license is a governmental authorization required for the importation of goods that are not freely importable. Licenses of this form restrict the number of items entering a country to exactly the requirements of those products and the country’s customs regulations. The government primarily offers the licenses as a financial incentive to exporters, and once granted, they become commodities. Import licenses, which grant the holder the right to import goods that may be restricted or regulated, are considered a service when they are sold or transferred.

The table below sets forth certain key operational and financial metrics for the periods indicated:

(₹ in Lakhs, except percentages)

Particulars	For the period ended December 31, 2023	For Fiscal Years		
		2023	2022	2021
Revenue from operations	5,922.12	10,356.30	10,152.67	7,819.71

Particulars	For the period ended December 31, 2023	2023	For Fiscal Years	
			2022	2021
Earnings before interest, depreciation, tax & amortisation (EBITDA excluding other income)	502.37	652.52	593.62	186.37
EBITDA margin (%)	8.48%	6.30%	5.85%	2.38%
Profit before tax (PBT)	123.18	329.74	389.68	27.90
PBT margin (%)	2.08%	3.18%	3.84%	0.36%
Profit after tax (PAT)	102.99	237.88	298.58	41.53
PAT margin (%)	1.74%	2.30%	2.94%	0.53%
Return on Capital Employed (ROCE) (%)	8.92%	13.64%	16.74%	7.89%

Following are the financial details of our top 1, top 3, top 5 and top 10 customers.

We supply our products to discounted retail outlets and we have established trust and long-standing relations with these outlets.

For sale of products:

(except percentages, amount in lakhs)

Particular	For period ended December 31, 2023		For Year ended March 31, 2023		For year ended March 31, 2022*		For year ended March 31, 2021	
	Revenue	In %*	Revenue	In %*	Revenue	In %*	Revenue	In %*
Top 1 customer	2,511.53	42.41	3,724.55	35.96	3,928.73	38.70	2,518.75	32.21
Top 3 customers	3,305.63	55.82	4,606.51	44.48	7,132.74	70.25	5,257.49	67.23
Top 5 customers	3,506.78	59.22	5,244.03	50.64	7,471.89	73.60	5,536.62	70.80
Top 10 customers	3,730.58	62.99	5,549.51	53.59	7,654.04	75.39	5,843.81	74.73

*the % are arrived by dividing it with total revenue from operations.

For sale of Licenses:

(except percentages, amount in lakhs)

Particular	For period ended December 31, 2023		For Year ended March 31, 2023		For year ended March 31, 2022*		For year ended March 31, 2021	
	Revenue	In %*	Revenue	In %*	Revenue	In %*	Revenue	In %*
Top 1 customer	1,963.11	33.15	2,177.44	21.03	699.88	6.89	929.62	11.89
Top 3 customers	2,123.36	35.85	4,566.76	44.10	1,506.24	14.84	1,473.96	18.85
Top 5 customers	-	-	4,737.67	45.75	1,973.64	19.44	1,725.51	22.07
Top 10 customers	-	-	4,760.86	45.97	2,435.05	23.98	1,774.95	22.70

*the % are arrived by dividing it with total revenue from operations.

Healthy financial performance

We believe our history of strong financial success is a result of our emphasis on operational and functional excellence and efficiency. We made ₹ 5,922.12 lakhs, ₹10,356.30 lakhs, ₹10,152.67 lakhs, and ₹7,819.71 lakhs in total revenue from the sale of items for the period ended December 31, 2023 and financial year that ended March 31, 2023, 2022, and 2021, respectively. The net profit after tax for the period ended December 31, 2023 and fiscal year that concluded on March 31, 2023, 2022, and 2021 was ₹ 102.99 lakhs, ₹237.88 lakhs, ₹298.58 lakhs, and ₹ 41.53 lakhs, respectively. The EBITDA for the same period was ₹ 502.37 lakhs, ₹ 652.52 lakhs, ₹593.61 lakhs, and ₹186.38 lakhs. For the period ended December 31, 2023 and the fiscal year that concluded on March 31, 2023, 2022, and 2021, respectively, we have reported Return on Equity of 4.79%, 13.32%, 22.63%, and 3.46%, along with a total debt to equity ratio of 3.06, 3.11, 3.48, and 4.50, as well as a Return on Capital Employed of 8.92%, 13.64%, 16.74% and 7.89%, for such period.

Manufacturing Units

We operate out of our manufacturing operations out of two units. Unit 1 is located at Gala No. 103, 104, 105, 106, 107 First Floor, Prithvi Complex Building No A-3, Old Agra Road, Bhiwandi, Thane- 421302, Maharashtra, India and Unit 2 occupies 2nd Floor of the same complex with Gala No. 201, 202, 203, 204, 205, 206, 207 and 208. Our manufacturing units are strategically located with availability of transportation, which facilitates convenient transportation of our products.

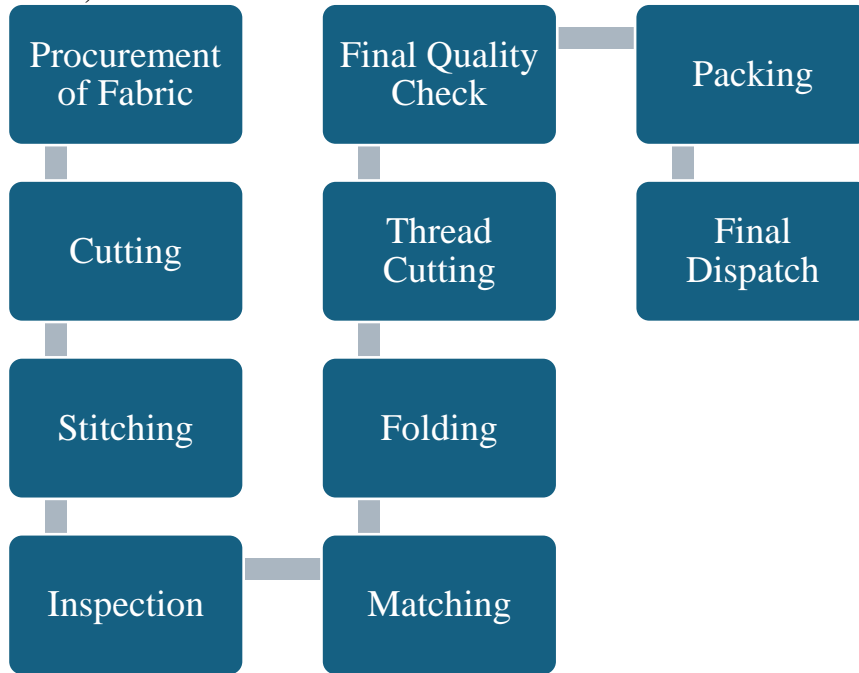
Our Units are supported by infrastructure for storage of raw materials, manufacturing of our products, storage of finished goods, together with a quality control. Our Unit 1 is engaged in cutting fabric and stitching whereas Unit 2 has checking department and packing department.



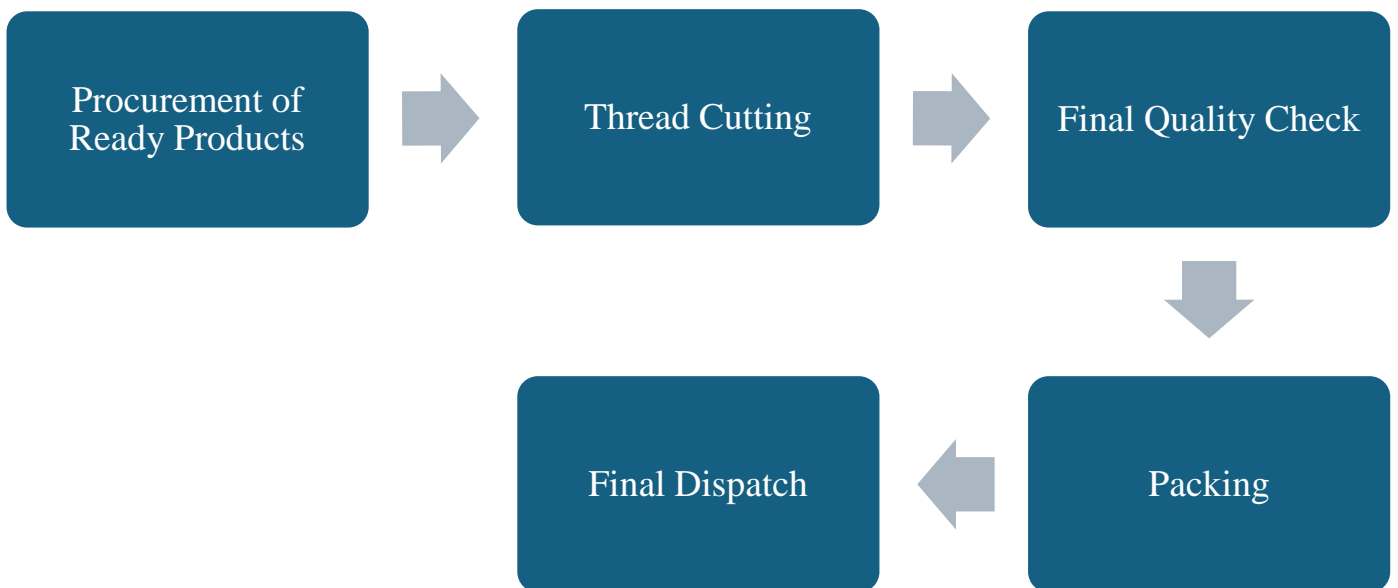
Procurement and Processing Method

We have following products namely, Bed Sheets, Towels, Pillow covers, Rugs, Hand towels / napkins, Doher, Shirts and T-shirts. The process of Bedsheet, Pillow covers, Shirts and T-shirts are processed at our units and other products are just procured readily and sold after the process of thread cutting, final quality check and packaging by us. Below is the process of bedsheet, pillow covers, Shirts and T-shirts:

- **Bedsheet, pillow covers, Shirts and T-shirts:**



- **Towels, Hand Towels, Rugs and Doher**



Procurement of Fabrics and Ready Products:

The supplier has SAP website through which the company comes to know about the surplus or slightly imperfect fabric. We procure fabrics from our suppliers based on purchase orders and we do not have any purchase agreements or firm commitments executed with them. We source fabrics and ready products from our suppliers based on quality and cost effectiveness. We source from the local industries. For the period ended December 31, 2023 and in Fiscal 2023, 2022 and 2021 the cost of raw materials and components consumed represented 86.01%, 86.57%, 84.93% and 89.59% respectively, of our Total Income. The procurement of fabrics, including high-quality fabrics such as cotton, linen, or blends. This phase involves careful selection, negotiation, and acquisition to ensure a reliable and consistent supply of materials meeting quality standards.

Cutting:

Once fabrics are secured, the cutting takes place. By using precise measurements and patterns the fabric is cut into specific shapes and sizes, ensuring uniformity and accuracy for further processing.

Stitching:

Fabric pieces move to the Stitching Department, where skilled seamstresses use sewing machines to assemble the components into complete products. Attention to detail and precision is crucial during this phase to create durable and aesthetically pleasing products.

Inspection:

Following stitching, the products undergo a thorough quality check to identify and rectify any defects or irregularities. This step ensures that only high-quality products proceed to the next stages of production.

Matching:

In this phase, color and pattern matching is meticulously carried out to maintain consistency across the entire production. This is essential for delivering products with a cohesive and appealing appearance.

Folding:

Once the products pass the quality checks and matching criteria, they are folded and prepared for the subsequent stages of the manufacturing process.

Thread Cutting:

This department focuses on trimming excess threads and ensuring the final product is flawless. It contributes to the overall neatness and presentation of the final product.

Final Quality Check:

Before proceeding to the packaging stage, a final quality check is conducted to guarantee that the products meet the predetermined quality standards. Any remaining issues are addressed at this stage.

Packing:

The products are carefully packaged, often in sets, in preparation for shipment. Packaging is done efficiently to protect the products during transportation and storage.

Final Dispatch:

In the last phase, the packaged products are dispatched for final dispatch in domestic and exports. This involves loading the products securely into shipping containers, ensuring they are well-protected for their journey to international destinations. Strict adherence to export regulations and documentation is crucial during this final dispatch phase.

Strengths

1. *Purchase of higher quality thread count fabric at lower price.*

Fine lines begin with higher thread count, to get higher thread count one requires high quality of the cotton that depends on the length of the individual fibers. High thread count bedding is used in all the western countries as it is the status symbol for the rich, as the higher the count the better the fabric. By procuring surplus or slightly imperfect fabric in bulk from our suppliers, we benefit from advantageous pricing, allowing us to acquire these materials at a reduced cost. This strategic sourcing enables us to offer modified and customized products to our customers at discounted prices. Our ability to obtain these fabrics at a lower expense translates into significant cost savings, which we pass on to our customers, ensuring that they can enjoy high-quality, tailor-made products at affordable rates.

2. Experienced promoters and dedicated employee base

Our promoter's experience in the textile sector has allowed us to quickly respond to market developments by identifying emerging trends and adapting our product offerings accordingly. Through their extensive industry experience and wide network of contacts, our promoters have been able to identify and pursue our customers. This has allowed us to expand our operational capacities by leveraging the resources and expertise of other organizations.

3. Infrastructure and Integrated capabilities to deliver quality Products

To cater to the growing demand from our existing customers and to meet the requirements of new customers, we intend to invest in embroidery machines, which will help to improve the efficiency and the quality of work. We believe in providing quality products to our customers. We are devoted to quality assurance. We believe that our quality products have earned us goodwill from our customers, which has resulted in customer retention and order repetition and also new addition to the customer base. We provide products with competitive rates.

Strategy

1. Selling directly to customers via our own stores.

Moving forward, we intend to tap new markets and further sell directly through our stores. Direct Selling to customers by opening and developing our stores will improve our margins. This strategy will empower us to have more control over pricing and distribution, allowing us to build stronger relationships with our customers. By selling directly to customers, we can offer tailored solutions and better meet their requirements. This will not only increase our revenue potential but also enable us to showcase the quality and value of our products, positioning us as a trusted and preferred supplier in the market.

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

Optimization and reduction of costs remains our key focus area and we continue to work towards attaining cost efficiencies, whether it be in supply chain management or during the production process. Our core team also focuses on the refinement of our manufacturing processes, aimed at improved yield and efficiency, by optimizing and modifications of various parameters. We also propose to develop eco-friendly and cost-effective production processes. We are also focused on improving our cost efficiency by optimizing the effective sourcing of raw materials, which we have ensured, as a business strategy, over the last several years.

3. Continue to add to product portfolio by introducing new products.

Our Company's strategy is focused on introducing new product to cater to the requirements of our customers as well as garnering the attention of more customers. This helps in strengthening the relationship with the existing customer network through a wide range of products while also onboarding new customers from untapped geographies. Identifying and developing new products is a continuous exercise that our management team engages into as that there is an immense demand in the global markets for unique designs, good quality and competitively priced products.

4. Improving & maintaining functional efficiencies

Our Company intends to improve functional efficiencies to achieve cost reductions to have a competitive edge over our peers. We believe that this can be done through economies of scale and repeat purchases of our customers. Increasing our penetration in newer regions with new range of products, will enable us to penetrate new catchment areas within these regions and optimize our infrastructure. As a result of these measures, our company will be able to increase its market share and profitability. Moreover, we will be expanding our exports to several markets through outsourcing. This will reduce financial leverage and improve operational efficiency and reduce risk.

Business Operations

Product Portfolio

The portfolio of our products can be categorized into Bedsheets, Towel, Pillow Covers, Hand towel/Napkins, shirts, t-shirts and Rugs.

Our Processed Products

- **Bed sheet:**

Our bed sheets are available in three distinct materials: Cotton, Chief Value Cotton (CVC), and Microfiber.

- Cotton is known for its softness, breathability, and enduring durability.
- CVC, a blend of cotton polyester, harmonizes the best of both the materials. It seamlessly merges the comfort of cotton with the added benefits of polyester, offering exceptional wrinkle resistance and effortless care.
- Microfiber sheets, crafted from a synthetic material, boast lightweight, hypoallergenic properties, and resistant to wrinkles and fading.

Each material has its own unique properties, allowing customers to choose the one that best suits their needs and preferences. To further personalize the bedding, we present a vast array of solid colors, ensuring that the bedroom reflects not only comfort but also unique style preferences.

We cater to a range of bed sizes, offering our bed sheets in five distinct dimensions: California King, King, Queen, Twin Extra Large, and Twin. Whether one wants to indulge in the expansive comfort of a California king bed, the regality of a standard king bed, the grace of a queen bed, or the snug embrace of a twin bed, our diverse range ensures a perfect fit for every sleeping sanctuary.

Towels



Bed Sheets / Pillow covers:



Rugs:



The below mentioned table sets out the production sales turnover of our product categories for the periods indicated:

(₹ in Lakhs, except percentages)

Product Category	For period ended December 31, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Revenue	% of total revenue from operations	Revenue	% of total revenue from operations	Revenue	% of total revenue from operations	Revenue	% of total revenue from operations
Bed Sheets	3,390.02	57.24	5,120.95	49.45	6,982.13	68.77	5,333.29	68.20
Pillow Pairs	294.78	4.98	353.63	2.41	521.71	5.14	497.48	6.36
Towel	75.98	1.28	78.34	0.76	121.17	1.19	136.01	1.74
Hand Towel/ Napkin	22.32	0.38	42.53	0.41	92.61	0.91	77.98	1.00
Shirts/T-shirts	15.67	0.26	-	-	-	-	-	-
RoDTEP Duty Credit Scripts / Import Licenses	2,123.35	35.85	4,760.86	45.97	2,435.05	23.98	1,774.95	22.70
Total	5922.12	100.00	10356.30	100.00	10152.67	100.00	7819.72	100.00

Geographical spread

Our majority of sales are concentrated to a few discounted stores as our customers and our revenue from operations from the countries for the period ended December 31, 2023, and as in Fiscal 2023, Fiscal 2022 and Fiscal 2021 is set out below:

(₹ in Lakhs)

Region/ Countries	Revenue			
	For the period ended December 31, 2023	For Fiscal Year 2023	For Fiscal Year 2022	For Fiscal Year 2021
Domestic sales	3,157.58	6,683.12	5,512.83	3,909.27
USA	2,718.00	3,488.95	4,639.84	3,766.22
Australia	46.54	184.24	-	144.22
Burundi (Africa)	-	10.31	-	-
Total	5,922.12	10,356.30	10,152.67	7,819.71

Domestic Revenue Bifurcation

(₹ in Lakhs)

Region	Revenue							
	For the period ended December 31, 2023		For Fiscal Year 2023		For Fiscal Year 2022		For Fiscal Year 2021	
	Sale of products	Sale of licenses	Sale of products	Sale of licenses	Sale of products	Sale of licenses	Sale of products	Sale of licenses
Maharashtra	978.95	2,123.36	1,899.61	4,760.86	3,037.99	2,139.81	2,041.26	1,774.95
Gujarat	37.73	-	12.34	-	39.79	-	93.06	-
Delhi	8.43	-	-	-	-	-	-	-
Tamil Nadu	4.96	-	-	-	-	-	-	-
Karnataka	4.13	-	-	-	-	295.24	-	-
Total	3,157.58	6,683.12	6,683.12	5,512.83	5,512.83	3,909.27	3,909.27	3,909.27

Capacity and Capacity utilization

The following table sets forth certain information relating to our capacity utilization of our manufacturing facility calculated based on total installed production capacity and actual production as of/ for the periods indicated below:

(Units in MT)

Products	FY21			FY22		
	Capacity	Production	Utilization	Capacity	Production	Utilization
Bedsheets, Pillow covers	143.75	105.00	73.04%	126.50	115.00	90.91

Products	FY23			Till December 31, 2023		
	Capacity	Production	Utilization	Capacity	Production	Utilization
Bedsheets, Pillow covers	126.50	122.00	96.44%	94.875	91.50	96.44%

As certified by Bhavin R Patel & Associates vide certificate dated January 08,2024.

The information relating to the installed production capacity of our processing facility, as included above and elsewhere in this Draft Red Herring Prospectus are based on various assumptions and estimates that have been considered by the Chartered Engineer for calculation of our capacity. These assumptions and estimates include the standard capacity calculation practice of the industry after examining the calculations and explanations provided by us. The assumptions and estimates considered include the following: (i) Number of working days: 365 per year; and (ii) Batch per day is considered on 8 hour working of the plant per day.

Actual production levels and utilization rates may vary from the capacity information of our manufacturing facility included in this Draft Red Herring Prospectus and undue reliance should not be placed on such information. See “Risk Factor – Information relating to the installed manufacturing capacity and capacity utilization of our manufacturing units included in this Draft Red Herring Prospectus are based on various assumptions and estimates and future production and capacity may vary” on page 29.

Plant & Machinery

To maintain quality of our product, we have installed quality equipments at our factory premises. We have installed following equipments at our factory:

Sr. No.	Name of Equipment	Purpose of use	Number of equipment
1.	Sealing Machine	For making Packaging Bags for Bedsheet/ Pillow	5
2.	Cutting Machine	To cut PVC for making Packaging Bags	1
3.	Merrowing Machine	For Designing of Bedsheet Hem	9
4.	Fagoting Machine	For small Embroidery on Bedsheet Hem	3
5.	Stitching Machine	For stitching of Bedsheet & pillow & shirt	44
6.	Kaj Machine	For making Button Kaj of Bedsheet & Shirts	1
7.	Button Machine	To install Button on Bedcover & T-shirt / Shirt	1
8.	Fabrics Cutting Machine	To cut Fabric as per Sizes requirement	2
9.	Elastic Overlock Machine	To Overlock fabric Thread in Elastic	2
10.	Overlock Machine	To lock Thread in Pillow cover of Bedsheet	3
11.	Iron	To Iron Bedsheet / Pillow	2
12.	Weighting Machine	To check weight of fabric / Towel & to sell scrap fabric	3

Inventory Management

We have a storage area for surplus or slightly imperfect fabric and finished goods. We store the fabrics as per the different grades and quality in order to optimize the inventory. There is a daily stock report of both surplus or slightly imperfect fabric and finished goods that indicates the inventory levels and any deviation from minimum stock levels is flagged for action. Care is taken to strictly follow the inventory levels and balance it with market trends and customer requirements.

Logistics

Our processing operations rely predominantly on road and sea transportation for the conveyance of raw materials and finished products. Our suppliers directly deliver our raw materials to our Manufacturing Facility based on order terms. We outsource the delivery of our products to third-party logistics companies. We do not have long-term contractual relationships with the logistics providers or freight forwarders.

Marketing

Our companies Global reach allows the Company to benefit from commercial relationship with long list of prestigious Clients, we have reached leadership in home textile with a global presence in USA, Canada, Australia, and some part of Europe. We are driven to create a smarter, sustainable world with the express purpose of maintaining our customer’s wellbeing at the forefront.

1. **Reaching Customer:** As we are into Export and not into retail for Overseas business our Sales Team keep sending new Offers and products to Customers by sending Physical samples and Fabric swatches. We have many Agents in USA & Australia who take orders from Stores and passing to us with their Commission basis.
2. **Retail Marketing & Promoting product:** We are planning to promote our product in Domestic market by approaching Social Media influencers and collaboration with other brands and Promotion plan with Blog Content & Reels.
3. **Direct Meeting:** We participate in various Trade Fair and arrange Conference with all buyers in Trade Fair like Hem Textile (Germany), Market Week Fair (New York). We manufacture different style of samples and variety of fabric and show to buyer and take Orders.

Collaborations/ performance guarantee

As on the date of filing of this Draft Red Herring Prospectus, our company has not entered into any collaborations or any performance guarantee.

Information technology

We believe that an appropriate information technology infrastructure is important in order to support the growth of our business. Our IT infrastructure enables us to track procurement of fabrics, sale of finished goods and orders from distributors/suppliers/discounted retail outlets. We utilize accounting and Tally software which covers sales, purchase, inventory and financial reporting, across our office and the processing facility.

Competition

There are various un-organized players providing similar type of products. Existing established players in the local vicinity gives us competition in terms of products. We also face competition from various agencies which provide same services as ours in both online and offline ways with different innovations, So, there is a constant flow of competition in the market with moving demand and supply.

Quality Control

We have many skilled staff in each department to control quality of product. We have departments like storage, cutting, stitching, checking & final packaging. In each department, there is a designated quality control manager who are responsible for quality of the products. They are tasked with identifying any defects or issues and implementing corrective measures to address them. Apart from the departmental quality control managers, we also have a in house Quality Control team and this team is responsible for inspecting the final product. In addition to in-house quality control measures, we also hire external agencies to inspect goods and shares inspection report to the buyer.

Health and Safety

Our operations are bound by environmental laws and diverse regulations that oversee, among other aspects, the storage and handling of both raw materials and finished goods. For further information, please refer to the chapter titled “*Key Industry Regulations and Policies*” beginning on page 114 of this Draft Red Herring Prospectus. We continue to ensure compliance with applicable health and safety regulations and other requirements in our operations.

Insurance

We maintain insurance coverage under various insurance policies for, among other things, our furniture & fixtures, as may be required. We believe that we maintain all material insurance policies that are customary for companies operating in our industry. The insurance policies are reviewed periodically to ensure that the coverage is adequate. Although we attempt to limit and mitigate our liability for damages our insurance may not be enforceable in all instances or the limitations of liability may not protect us from entire liability for damages. For further details, please refer to “*Risk factors*” on page 29 of this Draft Red Herring Prospectus.

(₹ in lakhs)

Sr. No.	Insurer	Policy No.	Description of Property Insured	Validity	Amount Secured
1.	Oriental Insurance Company Limited	132300/11/2024/534	Office premises/Meeting Rooms	November 25, 2023 to November 24, 2024	34.20

2.	Oriental Company Limited	Insurance	132300/11/2024/324	Stock at Processing facility	September 13, 2023 to September 12, 2024	1,700.00
3.	Oriental Company Limited	Insurance	132300/48/2024/5382	Burglary at Processing Facilities	November 25, 2023 to November 24, 2024	200.00
4.	Oriental Company Limited	Insurance	132300/11/2024/535	Furniture, Fixtures & Fittings Computers Generator Plant & Machinery	November 25, 2023 to November 24, 2024	50.20 31.30 15.00 63.50
5.	Oriental Company Limited	Insurance	132300/21/2025/77	Stock In Transit (Marine Cargo)	April 27, 2024 to April 26, 2025	10,000.00

Human Resources

As of May 15, 2024, we had an employee base of 58 employees. The following table sets forth a breakdown of our employees by function as of May 15, 2024:

Department	No of Employees
Accounts Department	3
Cutting Department	3
Design Department	1
Export Department	5
Folding Department	1
House Keeping Department	1
Human Resources Department	2
Management Department	1
Merchandise Department	10
Packing Department	1
Quality Control Department	7
Sewing Department	23
TOTAL	58

The total employees are 58 and out of that fixed employee are 8 and balance 50 we called on contract basis as per requirement on daily basis.

The number of contract labourers varies from time to time based on the nature and extent of work contracted to independent contractors.

Utilities and infrastructure facilities

- Registered office and processing facility**

Our registered office is situated at 446-447, 4th Floor, Shah & Nahar Industrial Estate Sitaram Jadav Marg, Lower Parel, Delisle Road, Mumbai- 400013, Maharashtra, India.

Our Processing facility is situated at Gala No. 103, 104, 105, 106, 107 First Floor, Prithvi Complex Building No A-3, Old Agra Road, Bhiwandi, Thane- 421302, Maharashtra, India, and Gala No. 201, 202, 203, 204, 205, 206, 207 and 208, Second Floor, Prithvi Complex Building No A-3, Old Agra Road, Bhiwandi, Thane- 421302, Maharashtra India.

Our office is equipped with computer systems, servers and other communication equipment, uninterrupted power supply, internet connectivity, and other processing facility, which are required for our business operations to function smoothly.

- Power and electricity**

Our company's registered office sources its power from Torrent Power Limited and the power needs of our processing facility are met through Brihanmumbai Electric Supply and Transport (BEST) and the same is sufficient for our day-to-day functioning.

- Water**

Our registered office and processing facility has adequate water supply arrangements for human consumption purposes. The requirements are fully met at our existing premises.

Intellectual Property

For details related to intellectual property, please refer section titled “Government and other key approvals” on page 168 of this Draft Red Herring Prospectus.

Property

We operate through following properties as on the date of this Draft Red Herring Prospectus:

Sr. No	Location	Purpose of use	Tenure
1.	446-447, 4th Floor, Shah & Nahar Industrial Estate Sitaram Jadav Marg, Lower Parel, Delisle Road, Mumbai- 400013, Maharashtra, India	Registered Office	Leave and License Agreement dated November 01, 2023 between Bhavin Kantilal Jethwa (Licensor) and Neelam Linens and Garments (India) Limited (Licensee) for a period of 33 months commencing from November 01, 2023 at ₹ 2,00,000 per month as license fees for area of 1,900 sq. ft.
2.	Gala No. 103, 104, 105, 106, 107 and 108 First Floor, Prithvi Complex Building No A-3, Old Agra Road, Bhiwandi, Thane- 421302, Maharashtra, India	Processing facility	Leave and License Agreement dated September 22, 2022 between Premchand Lakhman Haria HUF, Haria Yogesh Premchand, Haria Lalita Premchand, Divyesh P. Haria HUF (Licensors) and Neelam Linens and Garments (India) Private Limited (Licensee) for a period of 33 months valid from April 01, 2022 at ₹ 82,215 per month with security deposit paid of ₹ 2,40,000 for area of 13,056 sq. ft. and the said rent will increase by 7% twelve months.
3.	Gala No. 201, 202, 203, 204, 205, 206, 207 and 208, Second Floor, Prithvi Complex Building No A-3, Old Agra Road, Bhiwandi, Thane- 421302, Maharashtra India	Processing facility	Leave and License Agreement dated September 22, 2022 between Yogesh P. Haria HUF, Premchand Lakhman Haria HUF, Haria Lalita Premchand, Divyesh P. Haria HUF (Licensor) and Neelam Linens and Garments (India) Private Limited (Licensee) for a period of 60 months valid from April 01, 2022 at ₹ 97,028 per month with security deposit paid of ₹ 3,20,000 for area of 17,408 sq. ft. and the said rent will increase by 7% twelve months.

KEY REGULATIONS AND POLICIES

The following description is a summary of certain sector-specific laws currently in force in India, which are applicable to our Company. The information detailed in this chapter has been obtained from various legislations including rules and regulations promulgated by regulatory bodies and the bye laws of the respective local authorities and publications available in the public domain. The description below may not be exhaustive and is only intended to provide general information to investors, and is neither designed as, nor intended to substitute, professional legal advice. Judicial and administrative interpretations are subject to modification or clarification by subsequent legislative, judicial or administrative decisions. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The statements below are obtained from publications available in the public domain based on the current provisions of applicable Indian law, and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by legislative, regulatory, administrative, quasi-judicial or judicial decisions/actions and our Company or the Lead Manager are under no obligation to update the same.

The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable. For information on regulatory approvals obtained by us, see the chapter titled "Government and Other Approvals" beginning on page 168 of this Draft Red Herring Prospectus. We are required to obtain and regularly renew certain licenses / registrations / sanctions / permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye laws, acts and policies. Additionally, the projects undertaken by us require, at various stages, the sanction of the concerned authorities under the relevant central and state legislations and local byelaws.

Following is an overview of some of the important laws and regulations, which are relevant to our business.

LAWS IN RELATION TO OUR BUSINESS

The Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017

Under the provisions of the Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 the establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

The Registration Act, 1908 ("Registration Act")

The Registration Act, 1908 ("Registration Act") was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

The Indian Stamp Act, 1899 ("Stamp Act")

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the list, is governed by the provisions of the Indian Stamp Act, 1899 which is enacted by the Central Government. All other instruments are required to be stamped, as per the rates prescribed by the respective State Governments. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one State to another. Certain State in India have enacted their own legislation in relation to stamp duty while the other State have adopted and amended the Stamp Act, as per the rates applicable in the State. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act. 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. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from State to State.

The Micro, Small and Medium Enterprises Development Act, 2006 (the "MSME Act")

The Micro, Small and Medium Enterprises Development Act, 2006 and Industries (Development and Regulation) Act, 1951 The Micro, Small and Medium Enterprises Development Act, 2006 ("MSME Act") In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the Micro, Small and Medium Enterprises Development Act, 2006 is enacted. A National Board

shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and Regulation) Act, 1951

GENERAL LAWS

Companies Act, 2013

The Companies Act, 2013 (“Companies Act”) deals with laws relating to companies and certain other associations. The Companies Act primarily regulates the formation, financing, functioning, and winding up of companies. The Companies Act prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial, and managerial aspects of companies. It deals with issue, allotment and transfer of securities and various aspects relating to company management. It provides for standard of disclosure in public issues of capital, particularly in the fields of company management and projects, information about other listed companies under the same management, and management perception of risk factors.

Competition Act, 2002

The Competition Act, 2002 (“Competition Act”) aims to prevent anti-competitive practices that cause or are likely to cause an appreciable adverse effect on competition in the relevant market in India. The Competition Act regulates anti-competitive agreements, abuse of dominant position and combinations. The Competition Commission of India (“Competition Commission”) which became operational from May 20, 2009, has been established under the Competition Act to deal with inquiries relating to anti-competitive agreements and abuse of dominant position and regulate combinations. The Competition Act also provides that the Competition Commission has the jurisdiction to inquire into and pass orders in relation to an anti-competitive agreement, abuse of dominant position or a combination, which even though entered into, arising, or taking place outside India or signed between one or more non-Indian parties, but causes an appreciable adverse effect in the relevant market in India.

Indian Contract Act, 1872

Indian Contract Act codifies the way we enter into a contract, execute a contract, implementation of provisions of a contract and effects of breach of a contract. The Act consists of limiting factors subject to which contract may be entered into, executed and breach enforced as amended from time to time. It determines the circumstances in which promise made by the parties to a contract shall be legally binding on them.

The Specific Relief Act, 1963

The Specific Relief Act is complimentary to the provisions of the Contract Act and the T.P. 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.

Transfer of Property Act, 1882

The transfer of property, including immovable property, between living persons, as opposed to the transfer property by operation of law, is governed by the Transfer of Property Act, 1882 (“T.P. Act.”). The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for the purposes which have been dealt with hereinafter.

The T.P. Act recognizes, among others, the following forms in which an interest in an immovable property may be transferred:

- Sale: The transfer of ownership in property for a price paid or promised to be paid.
- Mortgage: The transfer of an interest in property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The T.P. Act recognizes several forms of mortgages over a property.
- Charges: Transactions including the creation of security over property for payment of money to another which are not classifiable

as a mortgage. Charges can be created either by operation of law, e.g. decree of the court attaching to specified immovable property, or by an act of the parties.

- Leases: The transfer of a right to enjoy property for consideration paid or rendered periodically or on specified occasions.
- Leave and License: The transfer of a right to do something upon immovable property without creating interest in the property.

Further, it may be noted that with regards to the transfer of any interest in a property, the transferor transfers such interest, including any incidents, in the property which he is capable of passing and under the law, he cannot transfer a better title than he himself possesses. herein above, file a memorandum of micro, small or medium enterprise, as the case may be, with the prescribed authority.

Negotiable Instruments Act, 1881

In India, any negotiable instruments such as cheques are governed by this Act, Section 138 of the Act, makes dishonor of cheques a criminal offence if the cheque is dishonored on the ground of insufficiency of funds in the account maintained by a person who draws the cheque which is punishable with imprisonment as well as fine.

The Consumer Protection Act, 2019

The Consumer Protection Act provides better protection to the interests of consumers. This is enabled with the establishment of consumer councils and other authorities for the settlement of consumers' disputes and matters connected therewith. The Consumer Protection Act protects the consumers against any unfair/restrictive trade practice that has been adopted by any trader or service provider or if the goods purchased by him suffer from any defect or deficiency. In case of consumer disputes, the same can be referred to the redressal forums set up under the Act.

Legal Metrology Act, 2009

The Legal Metrology Act, 2009 ("L.M. Act") governs the standards/units/denominations used for weights and measures as well as for goods which are sold or distributed by weight, measure or number. It also states that any transaction/contract relating to goods/class of goods shall be as per the weight/measurement/numbers prescribed by the L.M. Act. Moreover, the L.M. Act prohibits any person from quoting any price, issuing a price list, cash memo or other document, in relation to goods or things, otherwise than in accordance with the provisions of the L.M. Act. The specifications with respect to the exact denomination of the weight of goods to be considered in transactions are contained in the Rules made by each State. The Act also provides for Legal Metrology (General) Rules, 2011, which may be followed for due compliance, if the respective State does not provide for Rules in this regard.

The Factories Act, 1948

The Factories Act, 1948 ("Factories Act") seeks to regulate labour employed in factories and makes provisions for the safety, health and welfare of the workers. The term 'factory', as defined under the Factories Act, means any premises which employs or has employed on any day in the previous 12 (twelve) months, 10 (ten) or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 (twenty) or more workmen are employed at any day during the preceding 12 (twelve) months and in which any manufacturing process is carried on without the aid of power. An occupier of a factory under the Factories Act, means the person who has ultimate control over the affairs of the factory. The occupier or manager of the factory is required to obtain a registration for the factory. The Factories Act also requires inter alia the maintenance of various registers dealing with safety, labour standards, holidays and extent of child labour including their conditions. Further, notice of accident or dangerous occurrence in the factory is to be provided to the inspector by the manager of the factory.

The following is the rules which are applicable to the Company:

- *Maharashtra Factories Rules, 1963*

Information Technology Act, 2000

The Information Technology Act, 2000 (also known as ITA-2000, or the IT Act) is an Act of the Indian Parliament (No 21 of 2000) notified on 17 October 2000. It is the primary law in India dealing with cybercrime and electronic commerce. Secondary or subordinate legislation to the IT Act includes the Intermediary Guidelines Rules 2011 and the Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Rule, 2021. The laws apply to the whole of India.

The Act provides a legal framework for electronic governance by giving recognition to electronic records and digital signatures. It also defines cyber-crimes and prescribes penalties for them. If a crime involves a computer or network located in India, persons of other

nationalities can also be indicted under the law. The Act directed the formation of a Controller of Certifying Authorities to regulate the issuance of digital signatures. It also established a Cyber Appellate Tribunal to resolve disputes arising from this new law.

TAXATION LAWS

Income Tax Act, 1961

The Income-tax Act, 1961 ("IT Act") is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its "Residential Status" and "Type of Income" involved. Every Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its returns by 30th September of each assessment year.

The Central Goods and Services Tax Act, 2017 (the "GST Act")

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by center on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination-based consumption tax GST would be a dual GST with the center and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017(UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made there under.

Maharashtra Tax on Professions, Trade, 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 professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. 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. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

Maharashtra State Tax on Professions, Trades, Callings and Employments Acts, 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. Professional tax is charged as per the List II of the Constitution. The professional tax is classified under various tax slabs in India. 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 LAWS

Employees Provident Fund and Miscellaneous Provisions Act, 1952

Employees Provident Funds and Miscellaneous Provisions Act, 1952 ("EPFA") was introduced with the object to institute compulsory provident fund for the benefit of employees in factories and other establishments. The EPFA provides for the institution of provident funds and pension funds for employees in establishments where more than 20 persons are employed, and factories specified in Schedule I of the EPFA. Under the EPFA, the Central Government has framed the "Employees Provident Fund Scheme", "Employees Deposit-linked Insurance Scheme" and the "Employees Family Pension Scheme". Liability is imposed on the employer and the employee to contribute to the funds mentioned above, in the manner specified in the statute. There is also a requirement to maintain prescribed

records and registers and filing of forms with the concerned authorities. The EPFA also prescribes penalties for avoiding payments required to be made under the abovementioned schemes. The Act is administered by the Government of India through the Employees' Provident Fund Organization (EPFO). The following three schemes have been framed under the Act by the Central Government:

- a. Employees' Provident Fund Schemes, 1952;
- b. Employees' Pension Scheme, 1995; and
- c. Employees' Deposit-Linked Insurance Scheme, 1976

The Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 ("PB Act") is applicable to every factory and every other establishment employing 20 (twenty) or more persons. According to the provisions of the PB Act, every employer shall be bound to pay to every employee in respect of the accounting year minimum and maximum bonus and linking the payment of bonus with the production and productivity.

The Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 ("PG Act") applies to every factory and shop or establishment in which 10 (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).

The Employees' Compensation Act, 1923

The Employees' Compensation Act, 1923 ("EC Act") has been enacted with the objective to provide for the payment of compensation to workmen by employers for injuries caused by accident(s) arising out of and in the course of employment, and for occupational diseases resulting in death or disablement. The EC Act makes every employer liable to pay compensation in accordance with the EC Act if a personal injury/disablement/ loss of life is caused to a workman by accident arising out of and in the course of his employment. In case the employer fails to pay compensation due under the EC Act within 1 (one) month from the date it falls due, the commissioner appointed under the EC Act may direct the employer to pay the compensation amount along with interest and may also impose a penalty.

The Occupational Safety, Health and Working Conditions Code, 2020

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government.

The Code on Social Security, 2020

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Code on Social Security, 2020. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to employees' provident fund, employees' state insurance corporation, gratuity, maternity benefit, social security and cess in respect of building and other construction workers, social security for unorganized workers, gig workers and platform workers.

Employees State Insurance Act, 1948, as amended (the "ESIC Act")

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed

records and registers.

Contract Labour (Regulation and Abolition) Act, 1970

The Contract Labour (Regulation and Abolition) Act, 1970 (“CLRA”) is an act to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 (twenty) or more workmen are employed or were employed on any day of the preceding 12 (twelve) months as contract labour. It also applies to every contractor who employs or who employed on any day of the preceding 12 (twelve) months, 20 (twenty) or more workmen provided that the appropriate Government may after giving not less than 2 (two) months' notice, by notification in the Official Gazette, apply the provisions of the CLRA to any establishment or contractor. Further, it contains provisions regarding Central and State Advisory Board under the CLRA, registration of establishments, and prohibition of employment of contract labour in any process, operation or other work in any establishment by the notification from the State Board, licensing of contractors and welfare and health of the contract labour. The Contract Labour (Regulation and Abolition) Central Rules, 1971 are formulated to carry out the purpose of the CLRA.

Equal Remuneration Act, 1976

Equal Remuneration Act, 1976 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith.

Maternity Benefit Act, 1961

The purpose of Maternity Benefit Act, 1961 is to regulate the employment of pregnant women and to ensure that the get paid leave for a specified period before and after child birth. It provides, *inter-alia*, for payment of maternity benefits, medical bonus and enacts prohibitions on dismissal, reduction of wages paid to pregnant women, etc.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”) provides for the protection of women at work place and prevention of sexual harassment at work place. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behavior namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee which shall always be presided upon by a woman. It also provides for the manner and time period within which a complaint shall be made to the Internal Complaints Committee i.e. a written complaint is to be made within a period of 3 (three) months from the date of the last incident. If the establishment has less than 10 (ten) employees, then the complaints from employees of such establishments as also complaints made against the employer himself shall be received by the Local Complaints Committee. The penalty for non-compliance with any provision of the SHWW Act shall be punishable with a fine extending to ₹ 50,000/-.

The Payment of Wages Act, 1936

The Payment of Wages Act, 1936 (“PW Act”) is applicable to the payment of wages to persons in factories and other establishments. PW Act ensures that wages that are payable to the employee are disbursed by the employer within the prescribed time limit and no deductions other than those prescribed by the law are made by the employer.

The Minimum Wages Act, 1948

The Minimum Wages Act, 1948 (“MW Act”) came in to force with the objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MW Act, the appropriate government is authorised to fix the minimum wages to be paid to the persons employed in scheduled or non-scheduled employment. Every employer is required to pay not less than the minimum wages to all employees engaged to do any work whether skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to the MW Act, in respect of which minimum rates of wages have been fixed or revised under the MW Act.

Child Labour (Prohibition and Regulation) Act, 1986

The Child Labour (Prohibition and Regulation) Act, 1986 (the “CLPR Act”) seeks to prohibit the engagement of children in certain employments and to regulate the conditions of work of children in certain other employments. It also prescribes hours and periods of

work, holidays, the requirement of keeping a register, etc for the establishments falling under this act. A shop or a commercial establishment is included under the definition of an “establishment” according to Section 2(iv) of the CLPR Act.

Maharashtra Labour Welfare Fund Act, 1963

The Maharashtra Labour Welfare Fund Act, 1963 came into effect on June 17, 1963 and it was adopted and modified by the Bombay Labour Welfare Board (Reconstitution) Order, 1969. This was an Act to provide for the constitution of a fund for the financing of activities to promote welfare of labour in the State of Maharashtra. The Maharashtra Labour Welfare Fund is constituted for the purpose of providing financial and social security to the labourers working in the establishments. The fund is utilized absolutely for the welfare purposes of the labourers such as uplifting their standards of living to meet the basic standards, improving their working conditions etc. In the case of failure the notice will be issued to employer to pay amount on time by welfare Commissioner. If the employer subsequently fails to make the required amount then for 1st 3 months interest at 1.5% of the said unpaid amount and after that interest at 2% of the unpaid amount.

ENVIRONMENTAL LAWS

The Environment (Protection) Act, 1986 (“EPA”)

The EPA has been enacted for the protection and improvement of the environment. It stipulates that no person carrying on any industry, operation or process shall discharge or emit or permit to be discharged or emit any environmental pollutant in excess of such standards as may be prescribed. Further, no person shall handle or cause to be handled any hazardous substance except in accordance with such procedure and after complying with such safeguards as may be prescribed. EPA empowers the Central Government to take all measures necessary to protect and improve the environment such as laying down standards for emission or discharge of pollutants, providing for restrictions regarding areas where industries may operate and generally to curb environmental pollution.

INTELLECTUAL PROPERTY LAWS

Certain laws relating to intellectual property rights such as patent protection under the Patents Act, 1970, copyright protection under the Copyright Act, 1957 trademark protection under the Trade Marks Act, 1999, and design protection under the Designs Act, 2000 are also applicable to us.

The Copyright Act, 1957

The Copyright Act, 1957 (the “Copyright Act”) governs copyright protection in India. Even while copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Act acts as a prima facie evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations.

The Trade Marks Act, 1999

The Trademarks Act, 1999 (the “Trademarks Act”) provides for the process for making an application and obtaining registration of trademarks in India. The purpose of the Trademarks Act is to grant exclusive rights to marks such as a brand, label, heading and to obtain relief in case of infringement for commercial purposes as a trade description. The Trademarks Act prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks.

The Patents Act, 1970

Under statute, India provides for the patent protection under the Patents Act, 1970 (the “Patents Act”). The Patents Act governs the patent regime in India and recognizes process patents as well as product patents. Patents obtained in India are valid for a period of 20 years from the date of filing the application. The Patents Act also provides for grant of compulsory license on patents after expiry of three years of its grant in certain circumstances such as reasonable requirements of the public, non-availability of patented invention to public at affordable price or failure to work the patented invention.

The Designs Act, 2000

The Designs Act, 2000 (the “Designs Act”) protects any visual design of objects that are not purely utilitarian. An industrial design consists of the creation of a shape, configuration or composition of pattern or colour, or combination of pattern and colour in three-dimensional form containing aesthetic value. It provides an exclusive right to apply a design to any article in any class in which the design is registered.

OTHER LAWS

Foreign Exchange Management Act, 1999 (“FEMA”)

Foreign investment in India is primarily governed by the provisions of FEMA and the rules and regulations promulgated there under. FEMA aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

FEMA Regulations

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 ("FEMA Regulations") to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India.

Foreign Trade (Development and Regulation) Act, 1992 (“FTA”)

The Foreign Trade (Development & Regulation) Act, 1992 The Foreign Trade (Development & Regulation) Act, 1992, provides for the development and regulation of foreign trade by facilitating imports into and augmenting exports from India and for matters connected therewith or incidental thereto.

Foreign Direct Investment Policy, 2020

With the intent and objective of the Government of India to attract and promote foreign direct investment in order to supplement domestic capital, technology and skills, for accelerated economic growth. The Government of India has put in place a policy framework on Foreign Direct Investment, which is transparent, predictable and easily comprehensible. This framework is embodied in the Circular on Consolidated FDI Policy, which may be updated every year, to capture and keep pace with the regulatory changes, effected in the interregnum. The Department for Promotion of Industry and Internal Trade (DPIIT), Ministry of Commerce & Industry, Government of India makes policy pronouncements on FDI through press notes/press releases which are notified by the RBI as amendments to the FEMA Regulations. These notifications take effect from the date of issue of press notes/ press releases, unless specified otherwise therein. In case of any conflict, the relevant FEMA Notification will prevail. The procedural instructions are issued by the RBI vide A.P. (DIR Series) Circulars. The regulatory framework, over a period of time, thus, consists of Acts, Regulations, Press Notes, Press Releases, Clarifications, etc. In addition to the above, our Company is also required to comply with the provisions of the SEBI regulations and rules framed thereunder, and other applicable statutes enacted by the Government of India or relevant state governments and authorities for our day-to-day business and operations. Our Company is also subject to various central and state tax laws.

HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Brief History of Our Company

Our Company was incorporated as private limited Company under the name “Neelam Linens and Garments (India) Private Limited”, under the provisions of the Companies Act, 1956 and Certificate of Incorporation was issued by the Registrar of Companies, Mumbai on September 22, 2010. The status of the Company was changed to public limited and the name of our Company was changed to “Neelam Linens and Garments (India) Limited” vide Special Resolution dated August 12, 2022. The fresh certificate of Incorporation consequent to conversion was issued on September 01, 2022 by the Registrar of Companies, Mumbai. The Corporate Identity Number of our Company is U17299MH2010PLC208010. Kantilal Jethva, Bhavin Jethwa are the Promoters of our Company. For further details of Our Promoters please refer the chapter titled “*Our Promoters and Promoter Group*” beginning on page 141 of this Draft Red Herring Prospectus.

Corporate profile of our Company

Neelam Linens and Garments (India) Private Limited operate as a soft home furnishing company based out of Maharashtra, India, extending our services to a global clientele, USA and Australia and Far East. We specialize in the processing, finishing and supplying of bedsheets, Pillow cover, Duvet Cover, Towels, Rugs, Dohar, Shirts & Garments predominantly for discounted retail outlets. We source surplus or slightly imperfect fabric from the domestic market, applying value-added services such as dyeing, stitching, embroidery, and other enhancements. Subsequently, we distribute these refined products to discounted retail outlets in diverse countries.

For information on our Company’s business profile, activities, products, market, growth, technology, managerial competence, standing with reference to prominent competitors, major vendors and suppliers, please refer the chapter titled “*Our Business*”, “*Industry Overview*”, “*Our Management*”, “*Restated Financial Statements*” and “*Management Discussion and Analysis of Financial Position and Results of Operations*” beginning on pages 101, 93, 126, 149 and 155 respectively of this Draft Red Herring Prospectus.

As on date of this Draft Red Herring Prospectus, our Company has 31 (Thirty-One) shareholders.

Change in Registered Office of our Company Since Inception

As on the date of filing this Draft Red Herring Prospectus, the registered office of our Company is situated at 446-447, 4th Floor, Shah & Nahar Industrial Estate Sitaram Jadav Marg, Lower Parel, Delisle Road, Mumbai- 400013, Maharashtra, India.

Except as stated below, there have been no changes in the registered office of our Company since the date of incorporation:

Effective Date	Details of Registered Office	Reason for Change
September 22, 2010	Flat No. 122, 12th Floor, Preeti Sadan, Sicka Nagar, V. P. Road, Mumbai Maharashtra	On Incorporation
September 30, 2019	446-447, 4th Floor, Shah & Nahar Industrial Estate Sitaram Jadav Marg, Lower Parel, Delisle Road, Mumbai- 400013, Maharashtra, India.	For Administrative convenience

MAIN OBJECTS OF OUR COMPANY

The main objects contained in the Memorandum of Association of our Company is as mentioned below:

1. To carry on in India or abroad the business of processing, re-processing, converting, researching, developing, preparing, dyeing, producing, developing, manufacturing, trading, agents, supplies, wholesaler, retailing, formulating, acquiring, dealing in, buying, selling, storing, importing & exporting all kinds of Textiles, textile products, Garments, Garments Products, yarns, suiting, shirting, cotton yarn, spun, synthetic, polyester, dyed yarn, combed, gassed & mercerized yarn, silk, wool, knitted fabric, fibres, dyes, cloth, garments, readymade garments, cushions, pillows, mattresses, canvas, terry towels, terry products, bath robes, terry cloth, shearing cloth and derivatives, rugs, by-products, intermediates and mixtures thereof.

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY SINCE INCORPORATION

The following changes have been made to the Memorandum of Association of our Company since incorporation:

Sr. No.	Particulars of Amendment	Date of Shareholders Meeting
1.	Clause V of the Memorandum was amended to reflect: Increase in Authorized Share Capital from ₹ 5,00,000 (Rupees Five Lakhs Only) divided into 50,000 (Ten Thousand) Equity Shares of ₹ 10/- (Rupees Ten Only) each to ₹ 10,00,000/- (Rupees Ten Lakhs Only) divided into 1,00,000 (One Lakhs) Equity Shares of ₹ 10/- (Rupees Ten Only) each.	May 12, 2011
2.	Clause V of the Memorandum was amended to reflect: Increase in Authorized Share Capital from ₹ 10,00,000 (Rupees Ten Lakhs Only) divided into 1,00,000 (One Lakhs) Equity Shares of ₹ 10/- (Rupees Ten Only) each to ₹ 15,00,000/- (Rupees Fifteen Lakhs Only) divided into 1,50,000 (One Lakh Fifty Thousand) Equity Shares of ₹ 10/- (Rupees Ten Only) each.	March 01, 2012
3.	Clause V of the Memorandum was amended to reflect: Increase in Authorized Share Capital from ₹ 15,00,000 (Rupees Fifteen Lakhs Only) divided into 1,50,000 (One Lakh Fifty Thousand) Equity Shares of ₹ 10/- (Rupees Ten Only) each to ₹ 20,00,000/- (Rupees Twenty Lakhs Only) divided into 2,00,000 (Two Lakhs) Equity Shares of ₹ 10/- (Rupees Ten Only) each.	March 5, 2012
4.	Clause V of the Memorandum was amended to reflect: Increase in Authorized Share Capital from ₹ 20,00,000 (Rupees Twenty Lakhs Only) divided into 2,00,000 (Two Lakhs) Equity Shares of ₹ 10/- (Rupees Ten Only) each to ₹ 11,00,00,000/- (Rupees Eleven Crores Only) divided into 1,10,00,000 (One Crore Ten Lakhs) Equity Shares of ₹ 10/- (Rupees Ten Only) each.	July 01, 2022
5.	Clause III (A) 1 of the Memorandum was amended to reflect change in the Object of the Company	July 01, 2022
6.	Amendment of Memorandum as per provisions of the Companies Act, 2013	July 01, 2022
7.	Increase in Authorized Share Capital from ₹ 11,00,00,000/- (Rupees Eleven Crores Only) divided into 1,10,00,000 (One Crore Ten Lakhs) Equity Shares of ₹ 10/- (Rupees Ten Only) each to Rs. 22,50,00,000/- (Rupees Twenty-Two Crores Fifty Lakhs Only) divided into 2,25,00,000 (Two Crores Twenty-Five Lakhs) Equity Shares of ₹ 10/- (Rupees Ten Only) each.	June 28, 2023

ADOPTION OF NEW ARTICLES OF ASSOCIATION OF COMPANY

Our Company has adopted a new set of Articles of Association of the Company in accordance with applicable provisions of the Companies Act 2013, in the Extra Ordinary General Meeting of the Company dated July 01, 2022.

MAJOR EVENTS AND MILESTONES OF OUR COMPANY

The table below sets forth the key events in the history of our Company:

Year	Key Events / Milestone / Achievements
2010	Incorporation of our Company in the name style of 'Neelam Linens and Garments (India) Private Limited'.
2015	Received award in 2015 from Big Lots for best supplier of Made Ups (Bed sheet) from India. The award function was in Shanghai and we were the best exporter of home goods for continues 3 years and we did sell around 30 million Dollar revenue.
2022	Change in constitution of our company from Private to Public Limited.

AWARDS, ACCREDITATIONS OR RECOGNITIONS

Our Company has received the following awards, accreditation and recognition:

Sr. No.	Accreditation	Year
i.	Welspun-Highest Domestic Sales	2013
ii.	BIGLOTS-Best Supplier-Shanghai-China	2015

HOLDING COMPANY

Our Company since the date of incorporation Company does not have a holding company.

SUBSIDIARIES, ASSOCIATE AND JOINT VENTURES

Our Company does not have any subsidiaries, associate and joint ventures.

STRIKES AND LOCK-OUTS

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lock-outs. As on the date of this Draft Red Herring Prospectus, our employees are not unionized.

TIME/ COST OVERRUN

There is no Time/ Cost overrun by our Company.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS

Our Company has not defaulted on repayment of any loan availed from any banks or financial institutions. The tenure of repayment of any loan availed by our Company from banks or financial institutions has not been rescheduled.

DETAILS OF ACQUISITION OR DIVESTMENTS

Our Company has not acquired nor divested any business/undertaking in the 10 years preceding the date of this Draft Red Herring Prospectus.

MERGERS OR AMALGAMATION

Our Company has not undertaken any merger or amalgamation in the 10 years preceding the date of this Draft Red Herring Prospectus.

REVALUATION OF ASSETS

Our Company has not revalued its assets in the 10 years preceding the date of this Draft Red Herring Prospectus.

DETAILS OF SHAREHOLDERS' AGREEMENTS

There are no Shareholders' agreements.

OTHER AGREEMENTS

Neither our Promoters nor any of the Key Managerial Personnel, Senior Management Personnel, Directors or employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

Further, our Company has not entered into any other subsisting material agreement, other than in the ordinary course of business.

FINANCIAL AND / OR STRATEGIC PARTNERS

Our Company does not have any financial and/or strategic partners as of the date of filing this Draft Red Herring Prospectus.

LAUNCH OF KEY PRODUCTS OR SERVICES, ENTRY OR EXIT IN NEW GEOGRAPHIES

For details of launch of key products or services, entry in new geographies or exit from existing markets, please refer to the chapter "*Our Business*" on page 101 of this Draft Red Herring Prospectus.

GUARANTEES GIVEN BY OUR PROMOTERS

Except as stated in the "*Financial Indebtedness*" and "*Financial Information*" beginning on page 152 and 149 of this Draft Red Herring Prospectus respectively, our Promoters, have not issued guarantees on behalf of our Company to third parties.

CHANGES IN THE ACTIVITIES OF OUR COMPANY HAVING A MATERIAL EFFECT

Other than as mentioned above in the section titled “*Our Business*” and “*History and Certain Other Corporate Matters*” beginning on page 101 and 122, respectively, of this Draft Red Herring Prospectus, there has been no change in the activities being carried out by our Company which may have a material effect on the profits/ loss of our Company, including discontinuance of the current lines of business, loss of projects or markets and similar factors in the last five years.

INJUNCTIONS OR RESTRAINING ORDERS

There are no injunctions/ restraining orders that have been passed against the Company.

CHANGES IN THE MANAGEMENT

For details of change in Management, please see chapter titled “*Our Management*” on page 126 of the Draft Red Herring Prospectus.

OTHER DECLARATIONS AND DISCLOSURES

Our Company is not a listed entity. Our Company has made an application to NSE EMERGE for listing of its equity shares on the NSE EMERGE on May 24, 2024 and has received the In-Principal Approval on [●]. Further, our Company had/ has neither received any objections or rejections post receipt of the In-Principal Approval dated [●] and our securities have not been refused listing at any time by any recognized stock exchange in India or abroad. Further, our Company has not made any public issue (as defined in the SEBI (ICDR) Regulations) in the past. Further, no action has been taken against our Company by any Stock Exchange or by SEBI. Our Company is neither a sick company within the meaning of the term as defined in the Sick Industrial Companies (Special Provisions) Act, 1985; nor is our Company under winding-up process nor has it received any notice for striking off its name from the Registrar of Companies.

FUND RAISING THROUGH EQUITY OR DEBT

For further details in relation to our fund-raising activities through equity and debt, please refer to the section titled “*Restated Financial Statements*” and “*Capital Structure*” beginning on page 149 and 62, respectively, of this Draft Red Herring Prospectus.

OUR MANAGEMENT

Our Company currently has five (5) directors on its Board, including three independent directors and two woman director. For details on the strength of our Board, as permitted and required under the Articles of Association, see “*Main Provisions of Articles of Association*” on page 210 of this Draft Red Herring Prospectus.

Board of Directors

The following table sets forth the details of our Board as on the date of this Draft Red Herring Prospectus:

Name, Father’s Name, Designation, DIN, Date of Birth, Address, Occupation, Nationality, Original Date of Appointment and Current Term	Age (years)	Other directorships
Kantilal Jethva <i>Father’s Name:</i> Late Jivram Jethva <i>Designation:</i> Whole Time Director and Chairman <i>DIN:</i> 03111562 <i>Date of birth:</i> December 24, 1950 <i>Address:</i> 801, Floor 8 th , Plot 18, Sankalp Walkeshwar Road, Malabar Hill, Mumbai- 400006, Maharashtra, India. <i>Occupation:</i> Business <i>Nationality:</i> Indian <i>Original Date of Appointment:</i> September 22, 2010 <i>Date of Re-designation:</i> September 30, 2022, as Whole-Time Director of the Company <i>Current Term:</i> 5 years w.e.f. October 01, 2022	73	Public Limited Companies: Nil Private Limited Companies: Nil Foreign Companies: Nil
Bhavin Jethwa <i>Father’s Name:</i> Kantilal Jethva <i>Designation:</i> Managing Director <i>DIN:</i> 03111560 <i>Date of birth:</i> July 15, 1981 <i>Address:</i> 801, Floor 8 th , Plot 18, Sankalp Walkeshwar Road, Malabar Hill, Mumbai- 400006, Maharashtra, India. <i>Occupation:</i> Business <i>Nationality:</i> Indian <i>Original Date of Appointment:</i> September 22, 2010 <i>Date of Re-designation:</i> September 30, 2022 as Managing Director of the Company	42	Public Limited Companies: Nil Private Limited Companies: Nil Foreign Companies: Nil

Name, Father's Name, Designation, DIN, Date of Birth, Address, Occupation, Nationality, Original Date of Appointment and Current Term	Age (years)	Other directorships
<i>Current Term:</i> 5 years w.e.f. October 01, 2022.		
<p>Falguni Shah</p> <p><i>Father's Name:</i> Rajeshkumar Shah</p> <p><i>Designation:</i> Non- Executive Independent Director</p> <p><i>DIN:</i> 09806257</p> <p><i>Date of birth:</i> May 29, 1983</p> <p><i>Address:</i> 12, Summit House, Forjett Hill Road, Opposite Bhatia Hospital, Tardeo, Mumbai- 400026, Maharashtra, India.</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p> <p><i>Original Date of Appointment:</i> November 27, 2023</p> <p><i>Current Term:</i> To hold office for the period of 5 years with effect from 27th November 2023 to 26th September, 2028</p>	40	<p>Public Limited Companies:</p> <p>Nil</p> <p>Private Limited Companies:</p> <p>Nil</p> <p>Foreign Companies:</p> <p>Nil</p>
<p>Dinkal Doshi</p> <p><i>Father's Name:</i> Manish Doshi</p> <p><i>Designation:</i> Non- Executive Independent Director</p> <p><i>DIN:</i> 09221054</p> <p><i>Date of Birth:</i> July 11, 1994</p> <p><i>Address:</i> 7, Hetal Apartment, Netaji Subhash Road, Near Deepali Travels, Mulund West, Mumbai 400080</p> <p><i>Occupation:</i> Service</p> <p><i>Nationality:</i> Indian</p> <p><i>Original Date of Appointment:</i> March 02, 2024</p> <p><i>Current Term:</i> Appointed as Non-Executive Independent Director of the Company not liable to retire by rotation, to hold office for a period of five years w.e.f March 02, 2024 till March 01, 2029.</p>	29	<p>Public Limited Companies:</p> <p>Muzali Arts Limited</p> <p>Private Limited Companies:</p> <p>Nil</p> <p>Foreign Companies:</p> <p>Nil</p>
<p>Manish Kamalia</p> <p><i>Father's Name:</i> Dwarkaprasad Kamalia</p> <p><i>Designation:</i> Non- Executive Independent Director</p> <p><i>DIN:</i> 07314412</p>	52	<p>Public Limited Companies:</p> <p>Nil</p> <p>Private Limited Companies:</p> <p>Nil</p>

Name, Father's Name, Designation, DIN, Date of Birth, Address, Occupation, Nationality, Original Date of Appointment and Current Term	Age (years)	Other directorships
<i>Date of birth:</i> July 4, 1971		Foreign Companies:
<i>Address:</i> RL 27, Raghunath Bhawan, Milap Nagar, MIDC, Dombivali, Kalyan, Tilaknagar, Thane- 421201, Maharashtra, India.		Nil
<i>Occupation:</i> Service		
<i>Nationality:</i> Indian		
<i>Original Date of Appointment:</i> September 22, 2022		
<i>Current Term:</i> Appointed as Non-Executive Independent Director of the Company not liable to retire by rotation, to hold office for a period of five years w.e.f September 22, 2022 till September 21, 2027.		

Brief profiles of Our Directors

Kantilal Jethva, aged 73 years is Promoter, Whole time Director and Chairman of the Company. He was appointed under the Promoter Category as an Executive Director of the Company since September 22, 2010, and subsequently his designation was changed to Whole time Director and Chairman for period of 5 years with effect from October 01, 2022. He graduated from Gujarat University. He is controlling finance and purchase of the Company from last 14 years. In past he has worked in Trend Setter Textile Company for 20 years as consultant of manufacturing of mad ups. He's now expanding the business portfolio of the Company, where he provides strategic guidance and leadership to the management team. He is entrusted with the responsibilities of finance & purchase, monitoring day to day business operations of major projects, weekly review of projects status, budgets, managing funds and cash flows, quarterly performance review PD's wise, managing client & stakeholders relationship, executes overall company strategy and business development - initiates revenue growth opportunities.

Bhavin Jethwa, aged 42 years, is the Promoter and Managing Director of our Company. He has been associated with our Company since its inception. He was re-designated as Managing Director w.e.f. October 01, 2022. He holds a Bachelor of Commerce degree from University of Mumbai. With experience of over two decades in crafting effective business and sales strategies, he embarked on his professional journey as a stitching job operator, contributing to the supply chains of renowned international retailers within the landscape of the Garments Industry.

Falguni Shah, aged 40 years, is the Non- Executive Independent Director of our Company. She has been associated with our Company w.e.f. November 27, 2023. She completed her higher secondary education in the year 2000. Previously, she was a school teacher in the Cuddles Playschool and Nursery.

Dinkal Doshi, aged 29 years, is the Non- Executive Independent Director of our Company. She has been associated with our Company w.e.f. March 02, 2024. She holds a Company Secretary degree from ICSI. She has an experience in the field of Company Secretary. Currently working with Samsara Finance Private Limited as a Whole time Company Secretary and Additional Director in Muzali Arts Limited.

Manish Kamalia, aged 52 years, is the Non- Executive Independent Director of our Company. He has been associated with our Company w.e.f. September 22, 2022. He holds a degree in Commerce and possesses core competencies in sales expertise, business development, and serves as a proficient Scrum Master. With a 17 years tenure as CEO at Vallabh Packers Company, he effectively managed the complete supply chain of corrugated boxes.

Confirmations:

Details of directorship in companies suspended or delisted.

None of our Directors is or was a director of any listed company, whose shares have been or were suspended from being traded on any stock exchanges, in the last five years prior to the date of this Draft Red Herring Prospectus, during the term of their directorship in such company.

Further, none of our directors is, or was, a director of any listed company, which has been or was delisted from any stock exchange during the term of their directorship in such company.

Family Relationship between the Directors

Except as stated below, none of the Directors of our Company are related to each other as per Section 2(77) of the Companies Act, 2013.

Name of Director/ Key Managerial Personnel and Senior Management Personnel	Relative	Nature of Relationship
Kantilal Jethva <i>Whole Time Director and Chairman</i>	Bhavin Jethwa	Son
Bhavin Jethwa <i>Managing Director</i>	Kantilal Jethva	Father

Arrangements with major Shareholders, Customers, Suppliers or Others

There are no arrangements or understanding between major shareholders, customers, suppliers or others pursuant to which any of the Directors were selected as a director or member of a senior management as on the date of this Draft Red Herring Prospectus.

None of the Directors are categorized as a wilful defaulter or Fraudulent Borrower, as defined under Regulation 2(1)(III) of SEBI (ICDR) Regulations.

None of the abovementioned Directors have been declared a Fugitive Economic Offender under section 12 of the Fugitive Economic Offender Act, 2018.

None of the Promoters or Directors has been or is involved as a promoter or directors of any other Company which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

Service contracts with Directors

Our Company has not entered into any service contracts with our Directors which provide for benefits upon the termination of their employment.

Borrowing Powers

In accordance with our Articles of Association and the applicable provisions of the Companies Act, and pursuant to a special resolution of our Shareholders at an EGM held on April 13, 2024 our Board is authorised to borrow monies from time to time in excess of aggregate of paid up share capital and free reserves (apart from temporary loans obtained / to be obtained from the company's bankers in ordinary course of business), provided that the outstanding principal amount of such borrowing at any point of time shall not exceed ₹ 100,00,00,000 (Rupees One Hundred Crores Only).

Terms of employment of our Managing Director and Whole-Time Director

Bhavin Jethwa, Managing Director

Pursuant to a resolution passed by the Board of Directors at the meeting held on September 22, 2022, Bhavin Jethwa was appointed as the Managing Director of our Company for a period of 5 years with effect from October 01, 2022 and approved by the Shareholders of our Company at the AGM held on September 30, 2022, the terms of remuneration, including his salary, allowances and perquisites were approved in accordance with the provisions of Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder. The terms of remuneration of our Managing Director have been summarized below:

Salary, Perquisites and Allowances per annum	Salary, Perquisites and Allowances shall not any time, exceed Rs. 1,20,00,000/- Per Annum. The perquisites and allowances, as aforesaid, shall include accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and / or allowances for utilisation of gas, electricity, water, furnishing and repairs, medical. The said perquisites and allowances shall be determined, wherever applicable, as per the
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	provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment(s) thereof; in the absence of any such rules, perquisites and allowances shall be determined at actual cost.
Commission/performance linked incentive	Bhavin Jethwa shall not be entitled to any Commission/performance linked incentive.
Annual Leaves	Earned/Privilege leave on full pay and allowances as per rules of the company but not more than 30 days for every twelve months of service. Leave accumulated shall be encashable at the end of the tenure. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.
Reimbursements:	Bhavin Jethwa shall be entitled to be reimbursed the travelling and entertainment expenses actually and properly incurred by him in or about the business of the Company and approved by the Board.
Minimum Remuneration:	Where in any financial year during the currency of tenure of the Whole-Time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites not exceeding the limits as specified above. The Board of Directors shall have liberty to alter and vary the aforesaid terms and conditions relating to remuneration in line with such amendments as may be made from time to time to the Companies Act, 2013.

Kantilal Jethva, Whole-Time Director

Pursuant to a resolution passed by the Board of Directors at the meeting held on September 22, 2022. Kantilal Jethva was appointed as the Whole-Time Director of our Company for a period of 5 years with effect from October 01, 2022 and approved by the Shareholders of our Company at the AGM held on September 30, 2022, the terms of remuneration, including his salary, allowances and perquisites were approved in accordance with the provisions of Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder. The terms of remuneration of our Whole-Time Director have been summarized below:

Salary, Perquisites and Allowances per annum	Salary, Perquisites and Allowances shall not any time, exceed Rs. 1,20,00,000/- Per Annum. The perquisites and allowances, as aforesaid, shall include accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and / or allowances for utilisation of gas, electricity, water, furnishing and repairs, medical. The said perquisites and allowances shall be determined, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules thereunder or any statutory modification(s) or re-enactment(s) thereof; in the absence of any such rules, perquisites and allowances shall be determined at actual cost.
Commission/performance linked incentive	Kantilal Jethva shall not be entitled to any Commission/performance linked incentive.
Annual Leaves	Earned/Privilege leave on full pay and allowances as per rules of the company but not more than 30 days for every twelve months of service. Leave accumulated shall be encash able at the end of the tenure. Encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.
Reimbursements	Kantilal Jethva shall be entitled to be reimbursed the travelling and entertainment expenses actually and properly incurred by him in or about the business of the Company and approved by the Board.
Minimum Remuneration	Where in any financial year during the currency of tenure of the Whole-Time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites not exceeding the limits as specified above. The Board of Directors shall have liberty to alter and vary the aforesaid terms and conditions relating to remuneration in line with such amendments as may be made from time to time to the Companies Act, 2013.

Sitting fees and commission to Non-Executive Directors and Independent Directors

Pursuant to a resolution passed by our Board on December 28, 2023, our non-executive directors are entitled to receive a sitting fee of ₹ 3,000/- for attending each meeting of our Board and ₹ 3,000/-for attending each meeting of our committees, as may be decided by the Board.

Our Company does not pay any remuneration to our Non-Executive and Non-Executive Independent Directors as an annual remuneration/ commission.

None of our Non-Executive and Non-Executive Independent Directors have received any sitting fees in the preceding financial year.

Payments or benefits to our directors

Executive Directors:

The table below sets forth the details of the remuneration by issuer Company (including sitting fees, salaries, commission and perquisites, professional fee, consultancy fee, if any) paid to our Executive Directors:

Name of Directors	Remuneration (₹ in Lakhs) for 31 December 2023	Remuneration (₹ in Lakhs) for 31 March 2022
Kantilal Jethva	5.40	4.03
Bhavin Jethwa	9.00	6.72

Non-Executive Directors:

Non-Executive Directors are not entitled to any remuneration except sitting fees for attending meetings of the Board, or of any committee of the Board.

Contingent and deferred compensation payable to the Directors

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation payable to the Directors, which does not form part of their remuneration.

Bonus or profit-sharing plan for our directors

Our Company does not have any performance-linked bonus or a profit-sharing plan in which our directors have participated.

Shareholding of Directors in our Company

Except as disclosed, none of our directors hold any shares of the Company as on the date of this Draft Red Herring Prospectus:

Particulars	Pre-Issue		Post-Issue		
	Number of shares	Percentage of holding	Number of shares	Percentage of holding	
Bhavin Jethwa	81,88,000	55.32%	81,88,000		[●]
Kantilal Jethva	12,40,000	8.38%	12,40,000		[●]

Interests of our Directors

Our Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of the Board or a committee thereof and as well as to the extent of reimbursement of expenses payable to them under the Articles.

Our Executive Directors are interested to the extent of remuneration payable to them pursuant to the Articles of Company and resolution approved by the Board of Directors/Members of the Company as the case may be, time to time for the services rendered as an Officer or employee of the Company.

The Directors are also members of the Company and are deemed to be interested in the Equity Shares, if any, held by them and/or any Equity Shares that may be held by their relatives, the companies, firms and trusts, in which they are interested as directors, members, partners, trustees, beneficiaries and promoters and in any dividend distribution which may be made by our Company in the future. For the shareholding of the Directors, please refer "Our Management - Shareholding of Directors in our Company" beginning on page 126 of this Draft Red Herring Prospectus.

Other than our promoters, none of the other Directors have any interest in the promotion of our Company other than in the ordinary course of business.

Interest in property, land, construction of building, supply of machinery

Our Promoters do not have any interest in any property acquired by our Company within three years preceding the date of filing this Draft Red Herring Prospectus or any property proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our

Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements except as stated in “*Financial Information*” on page 149 of this Draft Red Herring Prospectus.

Interest as Guarantor

Except as stated in the “*Financial Indebtedness*” and “*Financial Information*” beginning on page 152 and 149 of this Draft Red Herring Prospectus respectively, our Promoters, have not issued guarantees on behalf of our Company to third parties.

Interest in the business of Our Company

Save and except as stated otherwise in Related Party Transaction in the chapter titled “*Financial Information*” beginning on page 149 of this Draft Red Herring Prospectus, Our Directors do not have any other interests in our Company as on the date of this Draft Red Herring Prospectus. Our directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

Other Indirect Interest

Save and except as stated above and otherwise in Related Party Transaction in the chapter titled “*Financial Information*” on page 149 of this Draft Red Herring Prospectus, Our Directors do not have any other interests in our Company as on the date of this Draft Red Herring Prospectus. Our Directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

Except as stated in chapter titled “*Financial Information*” beginning on page 149 of this Draft Red Herring Prospectus, none of our directors have given unsecured loan to our Company.

Except as stated in chapter titled “*Financial Information*” beginning on page 149 of this Draft Red Herring Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our directors.

Payment of benefits (non-salary related)

No amount or benefit has been paid or given within the two (2) years preceding the date of filing of this Draft Red Herring Prospectus or is intended to be paid or given to any of our directors except the remuneration for services rendered.

Changes in our Company’s Board of Directors during the last three (3) years:

Name of Directors	Date of Event	Nature of Change	Reasons for Change in the Board
Manjula Jethva	September 22, 2022	Cessation	Due to Pre-Occupation
Narendra Patel	September 22, 2022	Appointment	Appointment as Additional Independent Director
Manish Kamalia	September 22, 2022	Appointment	Appointment as Additional Independent Director
Janki Jethva	September 22, 2022	Change in designation	Redesignated as Non- Executive Director
Narendra Patel	September 30, 2022	Change in designation	Regularization as Independent Director
Manish Kamalia	September 30, 2022	Change in designation	Regularization as Independent Director
Kantilal Jethva	September 30, 2022	Change in designation	Redesignated as Whole-Time Director
Bhavin Jethwa	September 30, 2022	Change in designation	Redesignated as Managing Director
Falguni Shah	November 27, 2023	Appointment	Appointment as Additional Independent Director
Falguni Shah	December 22, 2023	Change in designation	Regularization as Independent Director
Narendra Patel	December 28, 2023	Cessation	Due to personal commitments
Jignesh Makwana	December 28, 2023	Appointment	Appointment as Additional Independent Director
Jignesh Makwana	March 01, 2024	Cessation	Due to Pre- Occupation
Dinkal Doshi	March 2, 2024	Appointment	Appointment as Additional Independent Director
Janki Jethva	March 19, 2024	Cessation	Due to Pre- Occupation

COMPLIANCE WITH CORPORATE GOVERNANCE

In additions to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI (LODR) Regulations to the extent applicable to the entity whose shares are listed on the SME Exchange will also be applicable to our company immediately upon the listing of Equity Shares on the Stock Exchange. We are in compliance with the requirements of the

applicable regulations, including the SEBI ICDR Regulations and the Companies Act in respect of corporate governance including the constitution of the Board and committees thereof.

The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board committees, each as required under law. Our Board of Directors is constituted in compliance with the Companies Act, 2013 and the SEBI (LODR) Regulations.

Constitutions of Committees

Our Company has constituted the following committees:

1. Audit Committee

Our Company has constituted formed the Audit Committee vide resolution passed in the meeting of Board of Directors held on December 28, 2023 and reconstituted vide resolution passed in the meeting of Board of Directors held on March 02, 2024, as per the applicable provisions of the Section 177 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended). The Audit Committee comprises of following members:

Names of the directors	Designation	Designation in committee
Manish Kamalia	Non- Executive Independent Director	Chairperson
Dinkal Doshi	Non- Executive Independent Director	Member
Bhavin Jethwa	Managing Director	Member

The Company Secretary of our Company shall act as Secretary of the Audit Committee. The Chairman of the Audit Committee shall attend the Annual General Meeting of our Company to furnish clarifications to the shareholders in any matter relating to financial statements. The scope and function of the Audit Committee and its terms of reference shall include the following:

Terms of reference:

Role of Audit Committee

The scope of audit committee shall include, but shall not be restricted to, the following:

1. Oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Formulation of a policy on related party transactions, which shall include materiality of related party transactions;
5. Reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
6. Examining and 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, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;

- e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions; and
 - g. Modified opinion(s) in the draft audit report.
7. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
 8. Reviewing, with the management, the statement of uses / application of funds raised through an issue(public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the Issue document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
 9. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
 10. Approval of any subsequent modification 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 the conditions as may be prescribed;

Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.

11. Scrutiny of inter-corporate loans and investments;
12. Valuation of undertakings or assets of the Company, wherever it is necessary;
13. Evaluation of internal financial controls and risk management systems;
14. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
15. 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;
16. Discussion with internal auditors of any significant findings and follow up there on;
17. 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;
18. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
19. Recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
20. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, members (in case of non-payment of declared dividends) and creditors;
21. Reviewing the functioning of the whistle blower mechanism;
22. Monitoring the end use of funds raised through public offers and related matters;
23. Overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
24. Approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

25. Reviewing the utilization of loans and/or advances from / investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing;
26. Carrying out any other functions required to be carried out as per the terms of reference of the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time;
27. Consider and comment on rationale, cost- benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its members; and
28. To review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively; and
29. Such roles as may be prescribed under the Companies Act, SEBI Listing Regulations and other applicable provisions.
30. Approve all related party transactions and subsequent material modifications.

Review of information by Audit Committee

The audit committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Management letters / letters of internal control weaknesses issued by the statutory auditors;
3. Internal audit reports relating to internal control weaknesses;
4. The appointment, removal and terms of remuneration of the chief internal auditor;
5. Statement of deviations in terms of the SEBI Listing Regulations:
 - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of Regulation 32(1) of the SEBI Listing Regulations; and
 - b. Annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.
6. review the financial statements, in particular, the investments made by any unlisted subsidiary.

2. Stakeholders Relationship Committee

Our Company has formed the Stakeholders Relationship Committee as per Section 178 of the Companies Act, 2013 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) vide board resolution dated December 28, 2023 and reconstituted vide board resolution dated March 02, 2024. The reconstituted Stakeholders Relationship Committee comprises of following members:

Names of the directors	Designation	Designation in committee
Manish Kamalia	Non- Executive Independent Director	Chairperson
Dinkal Doshi	Non- Executive Independent Director	Member
Bhavin Jethwa	Managing Director	Member

The Company Secretary of our Company shall act as Secretary to the Stakeholders Relationship Committee.

The scope and function of the Stakeholders Relationship Committee and its terms of reference shall include the following:

Terms of Reference

1. Considering and specifically looking into various aspects of interest of shareholders, debenture holders and other security holders;
2. Resolving the grievances of the security holders of the listed entity including complaints related to transfer / transmission of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;
3. Review of measures taken for effective exercise of voting rights by members;
4. Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
5. Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
6. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;
7. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the members of the company; and
8. Carrying out such other functions as may be specified by the Board from time to time or specified / provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

3. Nomination and Remuneration Committee

Our Company has formed the Nomination and Remuneration Committee as per Section 178 of the Companies Act, 2013 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) vide board resolution dated December 28, 2023 and also reconstituted vide board resolution dated March 02, 2024. The Nomination and Remuneration Committee comprises of following members:

Names of the directors	Designation	Designation in committee
Manish Kamalia	Non- Executive Independent Director	Chairperson
Dinkal Doshi	Non- Executive Independent Director	Member
Falguni Shah	Non- Executive Independent Director	Member

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:

The terms of reference:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the “**Board**” or “**Board of Directors**”) a policy relating to the remuneration of the directors, key managerial personnel, Senior Management Personnel and other employees (“**Remuneration Policy**”).

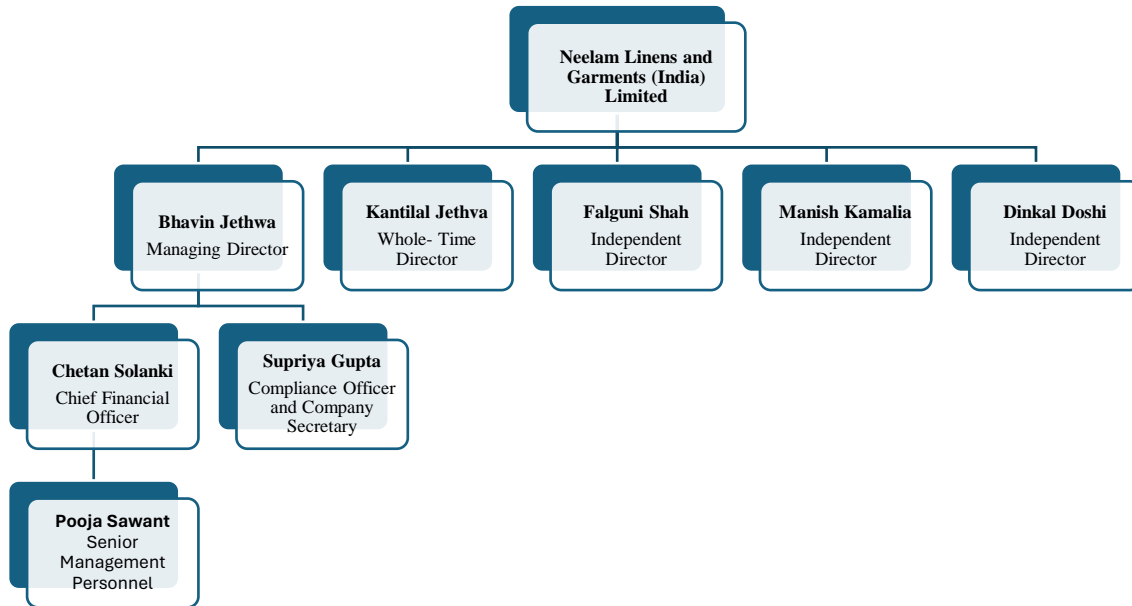
The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
- (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (iii) remuneration to directors, key managerial personnel and senior management personnel involves a balance between fixed and incentive pay reflecting short-term and long-term performance objectives appropriate to the working of the Company and its goals.

2. Formulation of criteria for evaluation of performance of independent directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed as senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out effective evaluation of performance of Board, its committees and individual directors (including independent directors) to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
5. Analysing, monitoring and reviewing various human resource and compensation matters;
6. Deciding 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. Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
8. Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary;
9. Reviewing and approving the Company's compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
10. Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, if applicable;
11. Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
 - (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
 - (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.
12. Administering monitoring and formulating detailed terms and conditions the employee stock option scheme/ plan approved by the Board and the members of the Company in accordance with the terms of such scheme/ plan ("**ESOP Scheme**"), if any;
13. Construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/ or rescinding rules and regulations relating to the administration of the ESOP Scheme;
14. Perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.
15. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
 - (a) use the services of an external agencies, if required;
 - (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - (c) consider the time commitments of the candidates.
16. Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Management Organization Structure

The following chart depicts our Management Organization Structure



Our Key Managerial Personnel and Senior management Personnel

Our Company is managed by our Board of Directors, assisted by qualified experienced professionals, who are permanent employees of our Company. The following are the Key Managerial Personnel and Senior Management Personnel of our Company.

Profiles of our Key Managerial Personnel and Senior Management Personnel

The details of our other Key Managerial Personnel and Senior Management Personnel as on the date of this Draft Red Herring Prospectus are set forth below:

Kantilal Jethva, aged 73 years is Promoter, Whole time Director and Chairman of the Company. He was appointed under the Promoter Category as an Executive Director of the Company since September 22, 2010, and subsequently his designation was changed to Whole time Director and Chairman for period of 5 years with effect from October 01, 2022. He graduated from Gujarat University. He is controlling finance and purchase of the Company from last 14 years. In past he has worked in Trend Setter Textile Company for 20 years as consultant of manufacturing of mad ups. He's now expanding the business portfolio of the Company, where he provides strategic guidance and leadership to the management team. He is entrusted with the responsibilities of finance & purchase, monitoring day to day business operations of major projects, weekly review of projects status, budgets, managing funds and cash flows, quarterly performance review PD's wise, managing client & stakeholders relationship, executes overall company strategy and business development - initiates revenue growth opportunities.

Bhavin Jethwa, aged 42 years, is the Promoter and Managing Director of our Company. He has been associated with our Company since its inception. He was re-designated as Managing Director w.e.f. October 01, 2022. He holds a Bachelor of Commerce degree from University of Mumbai. With experience of over two decades in crafting effective business and sales strategies, he embarked on his professional journey as a stitching job operator, contributing to the supply chains of renowned international retailers within the landscape of the Garments Industry.

Chetan Solanki, aged 30 years, is Chief Financial Officer of our Company. He has been associated with our Company as Chief Financial Officer w.e.f. August 16, 2022. He holds Bachelor of Engineering from K.J. Somiya Institute of Engineering and Information Technology. Before joining our Company, he was associated with Shyam Cotton Mills as Accounting and Finance Manager. His role encompasses providing strategic guidance on information technology and financial matters. His expertise and insights contribute significantly to the organization's operational efficiency and financial management. In the Company he is responsible for all the Financial affairs of the Company, risk management, internal audits and reporting to the Board of Directors.

Supriya Gupta, aged 33 years, is the Company Secretary of our Company. She has been associated with our Company as Company Secretary w.e.f. December 28, 2023. She has completed her Company Secretary course from Institute of Company Secretaries of India (ICSI) in December 2014. She also holds Bachelor of Laws from University of Mumbai. Throughout her professional journey, she has made significant contributions as a Company Secretary, demonstrating exceptional skills and commitment. She has an impressive track record, having worked with esteemed organizations such as The Irish House Food & Beverages Private Limited, M/s Shantilal Chandaliya & Co, and Harshit J Shah & Associates. In her role, she played a pivotal part in ensuring regulatory compliance and efficient corporate governance. Her responsibilities included the preparation of the Annual Return on Foreign Liabilities and Assets, a crucial submission to the Reserve Bank of India. This not only reflects her attention to detail but also underscores her commitment to ensuring that the Company adheres to legal and regulatory requirements.

Pooja Sawant, aged 29 years, is the Senior Management Personnel of the company currently working as a merchandiser of our company. She has been associated with our company w.e.f. May, 2020. She completed her B.Com from Mumbai University in 2015, Diploma in Apparel Merchandising from SASMIRA Institute (Synthetic & Art Silk Mills' Research Association) . She is currently pursuing MBA (Operations Management) from Dr. DY Patil. She has the experience of approx. 7 years in the field of merchandising. She worked in the position of Garment Junior Merchandiser at Cebon Apparel Private limited for 2 years, position of Garment Junior Merchandiser at Otto – AGN International Limited for 1 year and 2 months and for 4 years at our company as merchandiser. She is responsible for monitoring inventory, communicating customer problems to management and addressing customer issues and Assisting in the creation of an organized warehouse environment.

Relationship amongst the Key Managerial Personnel and Senior Management of our Company

Except as stated below, none of our Key Managerial Personnel and Senior Management Personnel of our Company are related to each other:

Name	Relationship
Kantilal Jethva and Bhavin Jethwa	Kantilal Jethva is father of Bhavin Jethwa

Arrangement and Understanding with Major Shareholders/Customers/ Suppliers

None of the above Key Managerial Personnel and Senior Management Personnel have entered to any arrangement/ understanding with major shareholders/customers/suppliers as on the date of this Draft Red Herring Prospectus.

Details of Service Contracts of the Key Managerial Personnel and Senior Management Personnel

Key Managerial Personnel and Senior Management Personnel are governed by the terms of their respective employment letters and the resolutions of our Board on their terms of appointment. None of our Key Managerial Personnel have entered a service contract with our Company, entitling them to any benefits upon termination of employment.

Bonus or profit-sharing plan of the Key Managerial Personnel and Senior Management Personnel

Our Company does not have profit sharing plans for the Key Management Personnel and Senior Management Personnel.

Interest of Key Managerial Personnel and Senior Management Personnel

Except as disclosed in this Draft Red Herring Prospectus, the Key Managerial Personnel and Senior Management Personnel of our Company do not have any interest in our Company other than to the extent of their shareholding, remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Employee Stock Option or Employee Stock Purchase

Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this Draft Red Herring Prospectus.

Shareholder's Right to Nominate Director on the Board

None of our shareholders have any right to nominate a Director on the Board of our Company.

Payment of Benefits to our KMPs and SMPs (non-salary related)

Except as disclosed in this Draft Red Herring Prospectus, other than any statutory payments made by our Company to its KMPs and SMPs, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees.

For further details, please refer section titled “*Restated Financial Statements*” beginning on page 149 of this Draft Red Herring Prospectus.

Changes in Our Company’s Key Managerial Personnel and Senior Management Personnel during the last three (3) years:

Name of KMP and SMP	Designation	Date of Appointment/ Redesignation	Date of Resignation	Reason
Chetan Solanki	Chief Financial Officer	August 16, 2022	-	Appointment as Chief Financial Officer
Siddhi Shah	Company Secretary	August 16, 2022	-	Appointment as Company Secretary
Siddhi Shah	Company Secretary	-	September 1, 2023	Due to personal reasons
Supriya Gupta	Company Secretary and Compliance Officer	December 28, 2023	-	Appointment as Company Secretary and Compliance Officer

Shareholding of KMPs and SMPs in our Company

Except as disclosed, none of our KMPs and SMPs hold any shares of the Company as on the date of this Draft Red Herring Prospectus:

Particulars	Pre-Issue		Post-Issue		
	Number of shares	Percentage of holding	Number of shares	Percentage of holding	
Bhavin Jethwa	81,88,000	55.32%	81,88,000		[●]
Kantilal Jethva	12,40,000	8.38%	12,40,000		[●]

Contingent and Deferred Compensation payable to Key Managerial Personnel and Senior Management Personnel

None of our Key Managerial Personnel and Senior Management Personnel has received or is entitled to any contingent or deferred compensation.

Loans availed by Directors/ Key Managerial Personnel/Senior Management Personnel of our Company

None of the Directors or Key Managerial Personnel or Senior Management Personnel have availed loan from our Company which is outstanding as on the date of this Red Herring Prospectus.

Remuneration/ Compensation paid to our Key Managerial Personnel and Senior Management Personnel

Except as mentioned below, no other current Key Managerial Personnel and Senior Management Personnel have received remuneration/ compensation during the period ended on December 31, 2023

(₹ in lakhs)

Name of Person	Designation	Period ended December 31, 2023
Bhavin Jethwa	Managing Director	9.00
Kantilal Jethva	Whole-Time Director	5.40
Chetan Solanki	CFO	3.00
Supriya Gupta	Company Secretary and Compliance Officer	-
Pooja Sawant	Merchandiser	1.92

OUR PROMOTERS AND PROMOTER GROUP

OUR PROMOTERS

The Promoters of our Company, as on the date of this Draft Red Herring Prospectus are:

1. Kantilal Jethva and
2. Bhavin Jethwa

As on date of this Draft Red Herring Prospectus, our Promoters hold an aggregate of 94,28,000 Equity Shares, constituting 63.70% of the pre issued, subscribed and paid-up Equity Share capital of our Company. For further details, please refer to the “*Capital Structure*” beginning on page 62 of this Draft Red Herring Prospectus.

Details of Individual Promoters of our Company



Kantilal Jethva, aged 73 years is Promoter, Whole time Director and Chairman of the Company. He was appointed under the Promoter Category as an Executive Director of the Company since September 22, 2010, and subsequently his designation was changed to Whole time Director and Chairman for period of 5 years with effect from October 01, 2022. He graduated from Gujarat University. He is controlling finance and purchase of the Company from last 14 years. In past he has worked in Trend Setter Textile Company for 20 years as consultant of manufacturing of mad ups. He's now expanding the business portfolio of the Company, where he provides strategic guidance and leadership to the management team. He is entrusted with the responsibilities of finance & purchase, monitoring day to day business operations of major projects, weekly review of projects status, budgets, managing funds and cash flows, quarterly performance review PD's wise, managing client & stakeholders relationship, executes overall company strategy and business development - initiates revenue growth opportunities.

For further details, please refer to section titled “*Our Management*” beginning on page 126 of this Draft Red Herring Prospectus.

Permanent Account Number: AAAPJ6749D

Date of Birth: December 24, 1950

Residential Address: 801, 8th floor, Plot -18, Sankalp Walkeshwar Road, Malabar Hill, Mumbai-400006.

Voter's Identification Number: MT/04/022/264575

Position/posts held in the past: Director

Directorship held in Other Companies: NA

Other Ventures:

Neelam Creation

Kantilal Jivaram Jethwa HUF



Bhavin Jethwa, aged 42 years, is the Promoter and Managing Director of our Company. He has been associated with our Company since its inception. He was re-designated as Managing Director w.e.f. October 01, 2022. He holds a Bachelor of Commerce degree from University of Mumbai. With experience of over two decades in crafting effective business and sales strategies, he embarked on his professional journey as a stitching job operator, contributing to the supply chains of renowned international retailers within the landscape of the Garments Industry.

For further details, please refer to section titled “*Our Management*” beginning on page 126 of this Draft Red Herring Prospectus.

Permanent Account Number: ADCPJ9261B

Date of Birth: July 15, 1981

Residential Address: 801 Sankalp 8th Floor, 18, Walkeshwar Road, Malabar Hill Mumbai-400006.

Voter’s Identification Number: N.A.

Position/posts held in the past: Director

Directorship held in Other Companies:
Nil

Other Ventures:

Pradip International
Neelam Garments
Bhavin Kantilal Jethwa HUF

We confirm that the Permanent Account Number, Bank Account Number(s) and Passport Number of our Promoters shall be submitted to the Stock Exchange at the time of filing of this Draft Red Herring Prospectus.

Further, our Promoters, members of our Promoter Group, and relatives of our Promoters have confirmed that they have not been identified as willful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the RBI.

Neither our Promoters nor members of our Promoter Group or any persons in control have been debarred or restricted from accessing the capital markets for any reason, by SEBI or any other authorities. Our Promoters are not, nor have been promoter, director or person in control of any company, which is debarred or restricted from accessing the capital markets for any reason, by SEBI or any other authorities.

CHANGE IN MANAGEMENT AND CONTROL OF THE COMPANY

There has not been any change in the control of our Company during the 5 years preceding the date of this Draft Red Herring Prospectus.

INTERESTS OF OUR PROMOTERS

Interest in the promotion of the Company

Our Promoters are interested in our Company to the extent of promotion our Company, and to the extent of their shareholding in our Company and the dividends payable, if any, and any other distributions in respect of the Equity Shares held by them. As of the date of this Draft Red Herring Prospectus, our Promoters hold an aggregate of 94,28,000 Equity Shares, aggregating to 63.70% of the pre-Issue issued, subscribed and paid-up Equity Share capital of our Company.

For details of Equity Shares held by our Promoters, please refer to paragraph titled ‘Notes to Capital Structure’ under the section titled “Capital Structure” beginning on page 62 of this Draft Red Herring Prospectus.

Further, except as stated in this section titled “Our Management” beginning on page 126 and the section titled ‘Financial Information - Annexure 29- Related Party Transactions’ (Restated Financials statements) beginning on page 149 of this Draft Red Herring Prospectus respectively and to the extent to remuneration received / to be received by our Directors, none of our Directors any interest in the promotion of our Company.

Interest in property, land, construction of building, supply of machinery

Our Promoters do have any interest in the property acquired by our Company though a lease agreement within three years preceding the date of filing this Draft Red Herring Prospectus or any property proposed to be acquired by our Company or in any transaction with respect to the acquisition of land, construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and payments have been made in respect of these contracts, agreements or arrangements except as stated in “Financial Information” on page 149 of this Draft Red Herring Prospectus.

Interest as Guarantor

Except as stated in the “Financial Indebtedness” and “Financial Information” beginning on page 152 and 149 of this Draft Red Herring Prospectus respectively, our Promoters, have not issued guarantees on behalf of our Company to third parties.

Interest as a Director and Key Managerial Personnel of our Company

Kantilal Jethva and Bhavin Jethwa are interested in our Company as the Whole time Director and Chairman and Managing Director respectively to the extent of the remuneration is payable to them in this regard.

For further details, see “Our Management” beginning on page 126 of this Draft Red Herring Prospectus.

Interest as Member of our Company:

As on the date of this Draft Red Herring Prospectus, our Promoter hold 94,28,000 aggregating to 63.70% of our Company and is therefore interested to the extent of their shareholding and the dividend declared, if any, by our Company. Except to the extent of shareholding of the Promoter in our Company and benefits as provided in the section titled “Our Management” in that Remuneration details of our Directors on page 126 our Promoter does not hold any other interest in our Company

Interest as Creditor of our Company:

Except as given in the Annexure 29 - Related Party Transactions’ (Restated Financials statements) under chapter titled “Financial Information” beginning on page 149 of this Draft Red Herring Prospectus, our Promoter does not have any interest as creditor of our Company.

Interest of Promoters in Intellectual Property

Our Promoters are not interested in any entity which holds any intellectual property rights that are used by our Company.

Interest in other ventures of our Promoters

Our Promoters are not involved with any other ventures, except as disclosed in this Draft Red Herring Prospectus. Further, our Promoters are not involved in any venture that is in the same line of activity or business as that of our Company.

Business Interests

Except as disclosed in this Draft Red Herring Prospectus, the Promoters were interested as a member/partner of a firm or company, and

a sum has been paid or agreed to be paid to the Promoter or to such firm or company in cash or shares or otherwise by any person for services rendered by it or by such firm or company in connection with the promotion or formation of our Company.

For further details in relation to the same, please refer to the section titled “*Financial Information*”, beginning on page 149 of this Draft Red Herring Prospectus.

Payment of Amounts or Benefits to our Promoters or Promoter Group during the last two years

Except as stated in “*Financial Information*” beginning on page 149 of this Draft Red Herring Prospectus, no amount or benefit has been paid by our Company to our Promoters or the members of our Promoter Group since the last two years of the Company.

Material Guarantees given to Third Parties

As on the date of this Draft Red Herring Prospectus, none of our Promoters have given material guarantees to the third party (ies) with respect to the Equity Shares of our Company.

Our Promoter Group

In addition to our Promoters named hereinabove, the following natural persons are part of our Promoter Group in terms of Regulation 2(1)(pp) (ii) of SEBI (ICDR) Regulations:

Name of our Promoter	Relationship with the Relatives	Name of the Relative
Kantilal Jethva	Spouse	Manjula Kantilal Jethva
	Father	Late Jivram Jethva
	Mother	Late Sakarben Jethva
	Brother	Mohan Jethva
	Sisters	-
	Son	Bhavin Jethva
	Daughter	Neelam Jethva
	Spouse’s Father	Late Premjibhai Jivabhai Jariwala
	Spouse’s Mother	Late Gauri Ben
	Spouse’s Brother	Late Kanaklal Jariwala
	Spouse’s Sister	Late Nandi
	Bhavin Jethva	Spouse
Father		Kantilal Jethva
Mother		Manjula Kantilal Jethva
Brother		-
Sister		Neelam Jethva
Son		Mast. Ansh Jethva
Daughter		Tanisha Jethva
Spouse’s Father		Ganshyam Gohil
Spouse’s Mother		Geeta Gohil
Spouse’s Brother		Kamal Gohil
Spouse’s Sister		-

Our Promoter Group as defined under Regulation 2(1)(pp)(iii) of the SEBI (ICDR) Regulations, includes following entities:

Nature of Relationship	Entities
Anybody corporate in which Promoter or Immediate relative or a firm/ HUF in which core promoter or immediate relative is partner/ proprietor holds individually or collectively 20% shareholding and more.	<u>Bhavin Jethwa</u> Pradip International (Sole Proprietorship) Neelam Garments (Sole Proprietorship)
	<u>Kantilal Jethwa</u> Neelam Creation (Sole proprietorship)
	<u>Manjula Kantilal Jethva</u> Balaji Enterprises (Sole proprietorship)
Any body corporate in which a body corporate mentioned above holds 20% or more of the total shareholding.	NA
Any HUF / Firm in which Core Promoter or Immediate relative holds individually or collectively 20% stake and more.	<u>Bhavin Jethwa</u> Bhavin Kantilal Jethwa HUF
	<u>Kantilal Jethwa</u> Kantilal Jivaram Jethwa HUF

Companies with which the Promoters has disassociated in the last three years

None of our Promoter have disassociated themselves from any of the companies, firms or entities during the last three years preceding the date of this Draft Red Herring Prospectus.

Related Party Transactions

For details of related party transactions entered into by our Promoter, Promoter Group and our Company during the last financial year, the nature of transactions and the cumulative value of transactions, please refer to *Annexure 29 - Related Party Transactions* (Restated Financial statements) chapter titled "*Financial Information*" beginning on page 149 of this Draft Red Herring Prospectus.

Experience of Promoters in the line of business

Our Promoters are well experienced in the Company's line of business. The Company shall also endeavor to ensure that relevant professional help is sought as and when required in the future.

Litigation details pertaining to our Promoters

For details on litigations and disputes pending against the Promoters and defaults made by our Promoters, please refer to section titled '*Outstanding Litigation and Material Developments*' beginning on page 162 of this Draft Red Herring Prospectus.

Other Confirmation

The Company hereby confirms that:

- Our Promoters are not categorized as a willful defaulter or Fraudulent Borrower, as defined under Regulation 2(1)(III) of SEBI (ICDR) Regulations.
- Our Promoter and members of the Promoter Group have not been prohibited from accessing the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

- Our Promoter has not been declared as fugitive economic offender under section 12 of the Fugitive Economic Offender Act, 2018.
- Our Promoter is not promoter, directors or person in control of any other company which is prohibited from accessing the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
- Our Promoter is not interested in any other entity which holds any intellectual property rights that are used by our Company.

There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority against our Promoters during the last five (5) years preceding the date of this Draft Red Herring Prospectus, except as disclosed under chapter titled “*Outstanding Litigation and Material Developments*” beginning on page 162 of this Draft Red Herring Prospectus.

Our Promoters and members of our Promoter Group have neither been declared as a willful defaulter nor as a fugitive economic offender as defined under the SEBI (ICDR) Regulations, and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against our Promoters.

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations 'Group Companies' of our Company shall include:

- i. the companies with which there were related party transactions as disclosed in the Restated Financial Statements during any of the last three Financial Years and the Stub Period in respect of which the Restated Financial Statements are included in this Draft Red Herring Prospectus; and
- ii. such other companies as considered material by the Board.

For the purposes of (ii) above, pursuant to the resolution passed by our Board at its meeting held on December 28, 2023 the Board has approved that no companies shall be considered material.

Further, pursuant to a resolution of our Board dated December 28, 2023 for the purpose of disclosure in relation to Group companies in connection with the Issue, a company shall be considered material if, all such companies (other than promoters and subsidiaries) with which there were related party transactions during the period covered in the Restated Financial Information, Financial Statements and included in the Issue Documents and the Company has entered into any transaction with such company that exceed 25% of the profit after tax, for the last completed financial year covered in the Restated Financial Information.

Accordingly, based on the parameters outlined above, as on the date of this Draft Red Herring Prospectus, our Board has identified that there are no group companies.

DIVIDEND POLICY

The declaration and payment of dividends on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and the applicable laws including the Companies Act, read with rules notified thereunder.

Our Company does not have any formal dividend policy for declaration of dividend in respect of the Equity Shares. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including but not limited to earning stability, contractual obligations, applicable legal restrictions, overall financial position of our Company and other factors considered relevant by the Board. In addition, our Company's ability to pay dividends may be impacted by a number of other factors, including restrictive covenants under the loan or financing documents, our Company is currently a party to or may enter into from time to time. For more information on restrictive covenants under our loan agreements, please see "*Financial Indebtedness*" on page 152 of this Draft Red Herring Prospectus.

No dividends have been paid by our Company on the Equity Shares since its incorporation.

There is no guarantee that any dividends will be declared or paid by our Company in the future. For details, please see "*Risk Factors*" on page 29 of this Draft Red Herring Prospectus.

SECTION VI – FINANCIAL INFORMATION

RESTAED FINANCIAL STATEMENTS

Sr No.	Particulars	Page No.
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INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED STANDALONE FINANCIAL INFORMATION

To,

The Board of Directors,

Neelam Linens and Garments (India) Limited,

Dear Sir,

1. We have examined the attached Restated Financial Information of Neelam Linens and Garments (India) Limited (the “**Company**” or the “**Issuer**”) comprising the Restated Balance Sheet Statement of Asset and Liabilities as at December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the Restated Statement of Profit & Loss Account and Restated Statement of Cash Flow for the period ended on December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, the summary statement of significant accounting policies, and other explanatory information (collectively, the “**Restated Standalone Financial Information**”), as approved by the Board of Directors of the company for the purpose of inclusion in the Draft Prospectus/Prospectus prepared by the Company in connection with its proposed SME Initial Public Offer (“**SME IPO**”) of equity shares at SME Platform of NSE Limited (“**NSE SME EMERGE**”).
2. These Restated Summary Statements have been prepared in terms of the requirements of:
 - a. Section 26 of Part I of Chapter III of the Companies Act, 2013 (the “**Act**”);
 - b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“**ICDR Regulations**”), as amended time to time; and
 - c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“**ICAI**”), as amended from time to time (the “**Guidance Note**”).
3. The Company’s Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the Draft Prospectus /Prospectus to be filed with the stock exchanges where the equity shares of the Company are proposed to be listed, in connection with the proposed SME IPO. The Restated Standalone Financial Information have been prepared by the management of the Company on the basis of preparation stated in **Note 1** to the Restated Standalone Financial Information.

The respective Board of Directors of the Company are responsible for designing, implementing, and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Information. The Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.

4. We have examined such Restated Standalone Financial Information taking into consideration:
 - a. The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter in connection with the proposed IPO of equity shares of the issuer;
 - b. The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Standalone Financial Information; and
 - d. The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

5. These Restated Standalone Financial Information have been compiled by the management from the Audited Standalone Financial Statements of the Company for the nine-month period ended on December 31, 2023, and financial years ended on March 31, 2023, March 31, 2022, and March 31, 2021, which has been approved by the Board of Directors.

a) We have Audited the special purpose standalone financial statements of the company as at and for the nine months period ended on December 31, 2023, prepared by the company in accordance with Indian Accounting Standard (Indian GAAP) for the limited purpose of complying with the requirement of Restated Audited Financial statements in the offer documents should not be more than six months old from the issue opening date as required by ICDR Regulations in relation to the proposed IPO. We have issued our report dated March 20, 2024 on this special purpose which have been approved by the Board of Directors at their meeting held on March 20, 2024.

b) We have audited the special purpose standalone financial statements of the company for the year ended March 31, 2023 prepared by the company in accordance with Indian Accounting Standard (Indian GAAP) for the limited purpose of complying with the requirement of getting its financial statements audited by an audit firm holding a valid peer review certificate issued by the "Peer Review Board" of the ICAI as required by ICDR Regulations in relation to the proposed IPO. We have issued our report dated September 05, 2023 on these special standalone financial statements, which have been approved by the Board of Directors at their meeting held on September 05, 2023.

c) Audited financial statements of the Company as at and for the years ended March 31, 2023, 2022 and 2021 prepared in accordance with the Indian Accounting Standards (Indian GAAP) which had been approved by the Board of Directors at their meeting held on September 05, 2023, September 22, 2022 and November 20, 2021 respectively

6. For the purpose of our examination, we have relied on:

a) Auditors' Report issued by previous auditor dated on September 22, 2022 and November 20, 2021 on the standalone financial statements of the company as at and for the years ended March 31, 2022 and 2021, as referred in Paragraph 5(c) above.

The audits for the financial years ended March 31, 2022 and 2021 were conducted by the Company's previous auditors, Dinesh Mehta & Associate, Chartered Accountant (the "Previous Auditors"), and accordingly reliance has been placed on the restated standalone statement of assets and liabilities and the restated standalone statements of profit and loss and cash flow statements, the Summary Statement of Significant Accounting Policies, and other explanatory information and examined by them for the said years.

7. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the audit report submitted by the Previous Auditors for the respective years, we report that the Restated Standalone Financial Information:

- a. The "**Restated standalone Summary Statement of Assets and Liabilities**" as set out in **Annexure I** to this report, of the Company as at and for the nine-month period ended on December, 2023, and as at and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 are prepared by the Company and approved by the Board of Directors. These Restated standalone summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more These fully described in Significant Accounting Policies and Notes to Accounts as set out in Annexure IV to this Report.
- b. The "**Restated Standalone Summary Statement of Profit and Loss**" as set out in **Annexure II** to this report, of the Company as at and for the nine-months period ended on December 31, 2023, and as at and for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 are prepared

by the Company and approved by the Board of Directors. These Restated Standalone Summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Note 1 of Annexure IV** to this Report.

- c. The "**Restated Standalone Summary Statement of Cash flow**" as set out in **Annexure III** to this report, of the Company as at and for the nine-months period ended on December 31, 2023, and as at and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 are prepared by the Company and approved by the Board of Directors. These Restated Standalone Summary Statement of Cash flow have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Note 1 of Annexure IV** to this Report.
- d. The Restated Standalone Summary Statement have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
- e. The Restated Summary Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
- f. The Restated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate, if any and there are no qualifications which require adjustments;
- g. There are no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
- h. There were no qualifications in the Audit Reports issued by the Statutory Auditors as at and for the nine months period ended on December 31, 2023, and as at and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 which would require adjustments in this Restated Financial Statements of the Company;
- i. Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in **Note 1 of Annexure IV** to this report;
- j. There were no changes in accounting policies-
- k. There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;
- l. The company has not proposed any dividend in past effective for the said period.
- m. Adequate disclosure has been made in the financial statements as required to be made by the issuer as per schedule III of the Companies Act, 2013.
- n. The accounting standards prescribed under the Companies act, 2013 have been followed.
- o. The financial statements present a true and fair view of the company's accounts.

8. We have also examined the following financial information ("Other Financial Information") proposed to be included in the offer document prepared by the management and approved by the board of directors of the company and annexed to this report:

Particulars	Note No. of Annexure V
Restated Share capital	2
Restated Reserves and surplus	3
Restated Long-term borrowings	4
Restated Deferred Tax Liabilities	5
Restated Short-term borrowings	6
Restated Trade payables	7
Restated Other current liabilities	8
Restated Short-term provisions	9
Restated Property, Plant & Equipment	10
Restated Deferred Tax Asset	11
Restated Other non-current assets	12
Restated Inventories	13
Restated Trade Receivables	14
Restated Cash and cash equivalents	15
Restated Short Term Loans & Advances	16
Restated Other current Assets	17
Restated Revenue from Operations	18
Restated Other Income	19
Restated Cost of Material Consumed	20
Restated Employee benefits expense	21
Restated Finance Costs	22
Restated Depreciation and amortization expenses	23
Restated Other Expenses	24
Restated Earnings per share	25

7. The Restated Standalone Financial Information does not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements.
8. We, M/s MASD & Co. LLP, have been subjected to the peer review process of the Institute of Chartered Accountants of India ("ICAI") and hold a valid peer review certificate issued by the "Peer Review Board" of the ICAI.
9. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by the Company Auditor's, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
11. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Prospectus/Prospectus to be filed with Stock exchanges in connection with the proposed IPO. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept

or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

12. In our opinion, the above financial information contained in these Restated Standalone Financial Statements read with the respective Significant Accounting Policies and Notes to Accounts as set out are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note and give a true and fair view in conformity with the accounting principles generally accepted in India, to the extent applicable.

Yours sincerely,

For MASD & Co. LLP
Chartered Accountants
FRN: 146249W

Aakash
Himanshu
Mehta

Digitally signed by
Aakash Himanshu
Mehta
Date: 2024.05.13
19:21:36 +05'30'

CA Aakash Mehta
Partner
M No: 165824
Place: Mumbai
Date: March 20, 2024
UDIN: 24165824BKBZJJ8729

Neelam Linens And Garments (India) Limited
(Formerly Known as Neelam Linens and Garments Private Limited)
CIN: U17299MH2010PLC208010
RESTATED BALANCE SHEET

Particulars	Note No.	As At 31 December, 2023 Amount in Lakhs	As At 31 March, 2023 Amount in Lakhs	As At 31 March, 2022 Amount in Lakhs	As At 31st March, 2021 Amount in Lakhs
I. EQUITY AND LIABILITIES					
(1) Shareholder's Funds					
(a) Share Capital	2	1,480.00	740.00	20.00	20.00
(b) Reserves & Surplus	3	725.28	1,362.30	1,448.42	1,149.84
(2) Non Current Liabilities					
(a) Long Term Borrowings	4	3,820.87	3,586.25	2,673.37	2,437.26
(b) Deferred Tax Liability	5	-	-	-	-
Current Liabilities					
(a) Short-term Borrowings	6	2,918.31	2,947.78	2,436.85	2,821.95
(b) Trade Payables					
(i) Total outstanding dues of micro enterprises and small enterprises	7	35.77	57.12	24.57	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises					
(c) Other Current Liabilities	8	1,931.84	1,126.39	1,151.50	17.12
(d) Short-term Provisions	9	307.17	44.17	10.38	-
		129.20	103.96	95.05	21.73
TOTAL EQUITY & LIABILITIES		11,348.44	9,967.97	7,860.13	6,467.92
II. ASSETS					
(1) Non-current assets					
(a) Property, Plant & Equipment and Intangible Assets					
(i) Property, Plant and Equipment	10	434.03	553.56	314.94	416.78
(ii) Intangible assets		-	-	-	-
(b) Deferred Tax Asset	11	26.93	20.08	36.92	32.89
(d) Other Non Current Asset	12	1,299.29	1,404.78	1,404.78	1,344.75
(2) Current assets					
(a) Inventories	13	5,225.28	4,833.62	3,933.62	2,902.01
(b) Trade Receivable	14	2,432.07	1,848.81	1,776.72	1,499.77
(c) Cash & Cash Equivalents	15	251.69	169.20	198.46	147.72
(d) Short-term loans and advances	16	822.50	800.21	123.99	123.99
(e) Other Current Assets	17	856.65	337.70	70.70	-
TOTAL ASSETS		11,348.44	9,967.97	7,860.13	6,467.92
Corporate Information and Significant Accounting Policies	1 to 2				
Notes to Accounts	3 to 42				
This is the Balance Sheet referred to in our report of even date					

For MASD & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 146249W

For and on Behalf of,
Neelam Linens And Garments (India) Limited

CA Aakash Mehta
Partner
M. No. 165824
Place: Mumbai
Date: 20 March 2024
UDIN: 24165824BKBZJJ8729

Bhavin Jethwa
Managing Director
DIN: 03111560
Place: Mumbai
Date: 20 March 2024

Kanti Jethwa
WholeTime Director
DIN: 03111562
Place: Mumbai
Date: 20 March 2024

Chetan Solanki
Chief Financial Officer

Supriya Gupta
Company Secretary
M. No: A46992

Neelam Linens And Garments (India) Limited
(Formerly Known as Neelam Linens and Garments Private Limited)
CIN: U17299MH2010PLC208010
RESTATED STATEMENT OF PROFIT & LOSS ACCOUNT

	Particulars	Note No.	For the period ended 31 December, 2023 Amount in Lakhs	For the year ended 31th March, 2023 Amount in Lakhs	For the year ended 31st March, 2022 Amount in Lakhs	For the year ended 31st March, 2021 Amount in Lakhs
I	Revenue from Operations	18	5,922.12	10,356.30	10,152.67	7,819.71
II	Other Income	19	156.06	184.82	227.02	198.10
III	Total Income (I+II)		6,078.18	10,541.13	10,379.69	8,017.82
IV	Expenses					
	(a) Cost of Material Consumed	20	5,227.86	9,125.85	8,815.09	7,182.98
	(c) Employee Benefits Expense	21	38.27	48.86	47.80	46.14
	(d) Finance Costs	22	414.06	446.17	303.55	256.77
	(e) Depreciation and Amotisation Expenses	23	121.12	61.43	127.40	99.81
	(f) Other Expenses	24	153.62	529.08	696.16	404.22
	Total expenses		5,954.94	10,211.39	9,990.00	7,989.92
V	Profit/ (Loss) before Tax (III-IV)		123.24	329.74	389.68	27.90
	Excess IT Provision		-	-	-	8.04
VI	Tax Expenses					
	(a) Current Tax expense		27.10	75.03	95.13	27.31
	(b) Deferred Tax	11	(6.85)	16.84	(4.02)	(32.89)
VII	Profit / (Loss) for period (V-VI)		102.99	237.88	298.58	41.53
VIII	Earning per Equity Share					
	(1) Basic	25	0.70	1.65	2.20	0.31
	(2) Diluted		0.70	1.65	2.20	0.31
	Corporate Information and Significant Accounting Policies					
	Notes to Accounts	1 to 2 3 to 42				

This is the Balance Sheet referred to in our report of even date

For MASD & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 146249W

For and on Behalf of,
Neelam Linens And Garments (India) Limited

CA Aakash Mehta
Partner
M. No. 165824
Place: Mumbai
Date: 20 March 2024
UDIN: 24165824BKBZJJ8729

Bhavin Jethwa
Managing Director
DIN: 03111560
Place: Mumbai
Date: 20 March 2024

Kanti Jethwa
WholeTime Director
DIN: 03111562
Place: Mumbai
Date: 20 March 2024

Chetan Solanki
Chief Financial Officer

Supriya Gupta
Company Secretary
M. No: A46992

Neelam Linens And Garments (India) Limited
(Formerly Known as Neelam Linens and Garments Private Limited)
CIN: U17299MH2010PLC208010
RESTATED STATEMENT OF CASH FLOW

Particulars	As at 31 December,2023 Amount in lakhs	As at 31 March,2023 Amount in lakhs	As at 31 March,2022 Amount in lakhs	As at 31 March,2021 Amount in lakhs
A) Cashflow From Operating Activities				
Net Profit Before Tax	123.24	329.74	389.68	27.90
Adjustments for:				
Provision for Gratuity	-	-	-	(19.97)
Depreciation on Fixed Assets	121.12	61.43	127.40	99.81
Finance Costs	414.06	446.17	303.55	256.77
Interest Income	(7.62)	(9.64)	(6.73)	(63.43)
Operating Profit Before Working Capital Changes	650.81	827.69	813.91	301.08
Changes in Working Capital				
Increase/(Decrease) in Short Term Provisions for Expenses	(1.86)	32.77	-	-
(Increase)/Decrease in Trade Receivables	(583.26)	(72.10)	(276.94)	1,281.94
(Increase)/Decrease in Other Current Assets	(610.23)	(267.00)	(70.70)	-
(Increase)/Decrease in Inventory	(391.66)	(900.00)	(1,031.61)	536.40
(Increase)/Decrease in Short-term loans and advances	(22.29)	(676.22)	-	(123.99)
Increase/(Decrease) in Trade Payables	784.09	(190.56)	1,104.33	14.58
Increase/(Decrease) in Other Current Liabilities	263.00	33.80	19.39	(13.24)
Cash generated from Operations	88.59	(1,211.62)	558.37	1,996.77
Less:- Income Tax Paid	(91.28)	(99.13)	(23.78)	(24.27)
Net Cash Flow from Operating Activities	179.87	(1,112.49)	582.15	1,972.50
B) Cash Flow From Investing Activities :				
(Purchase of Fixed Assets)/Sale of Fixed Asset	(1.59)	(300.05)	(25.56)	(220.69)
Interest Income	7.62	9.64	6.73	63.43
(Increase) / Decrease in Deposit	105.49	-	(60.03)	(559.41)
Net Cash Flow from Investing Activities	111.52	(290.41)	(78.86)	(716.68)
C) Cash Flow from Financing Activities :				
Issue of Share Capital/Debentures	-	396.00	-	-
Increase/(Decrease) in Long Term Borrowings	234.63	912.87	236.11	169.09
Increase/(Decrease) in Short Term Borrowings	(29.46)	510.93	(385.10)	(2,203.59)
Finance Costs	(414.06)	(446.17)	(303.55)	(256.77)
Net Cash Flow from Financing Activities	(208.90)	1,373.64	(452.55)	(2,291.28)
Net Increase / (Decrease) in Cash & Cash Equivalents	82.49	(29.26)	50.74	(1,035.45)
Cash Equivalent at the beginning of the year	169.20	198.46	147.72	1,183.17
Cash Equivalent at the end of the year	251.69	169.20	198.46	147.72
Cash Equivalent at the end of the year as per BS	251.69	169.20	198.46	147.72

Notes:

- 1) The above Cash Flow statement has been prepared under Indirect Method set out in AS-3 issued by the Institute of Chartered Accountants of India.
- 2) Previous year figures have been regrouped and recast wherever necessary.

For MASD & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 146249W

For and on Behalf of,
Neelam Linens And Garments (India) Limited

CA Aakash Mehta
Partner
M. No. 165824
Place: Mumbai
Date: 20 March 2024
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Company Secretary
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Neelam Linens And Garments (India) Limited
(Formerly Known as Neelam Linens and Garments Private Limited)
CIN: U17299MH2010PLC208010
NOTES TO THE RESTATED FINANCIAL STATEMENTS

General Information

The Company was incorporated on September 22, 2010 as a Private Limited Company. The Company Carries on the business of manufacturing & trading of cotton made ups.

1 Summary Of Significant Accounting Policies

1.1 Basis of Preparation of Restated Financial Statements

The Financial Statements are prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis of accounting. GAAP comprises mandatory accounting standards as specified in the Company (Accounting Standards) Rules 2014, the provisions of the Companies Act, 2013. Accounting policies have been consistently applied in preparation and presentation of financial statements

1.2 Use of Estimates

The preparation of Financial Statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Management believes that the estimates and assumptions used in the preparation of financial statements are prudent and reasonable. Actual results could differ from those estimates. Any difference between the actual results and estimates are recognized in the period in which the results are known / materialize. Any revision to accounting estimates is recognized prospectively in the current and future periods.

1.3 Presentation & Disclosure of Financial Statements

All assets and liabilities have been classified as current & non-current as per company's normal operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of services and time between acquisition of assets for rendering of services and their realization in cash and cash equivalents, operating cycle is less than 12 months. However, for the purpose of current / non-current classification of assets and liabilities, period of 12 months have been considered as normal operating cycle.

1.4 Property, Plant and Equipment and Depreciation

- i. Property, plant and equipment are stated at cost of acquisition / construction less accumulated depreciation and accumulated impairment losses, if any. Gross carrying amount of all property, plant and equipment are measured using cost model.
 - ii. Cost of an item of property, plant and equipment includes purchase price including non - refundable taxes and duties, borrowing cost directly attributable to the qualifying asset, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and the present value of the expected cost for the dismantling/decommissioning of the asset.
 - iii. Parts (major components) of an item of property, plant and equipments having different useful lives are accounted as separate items of property, plant and equipments
 - iv. Subsequent expenditure related to an item of property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.
 - v. Property, plant & equipment are eliminated from financial statements either on disposal or when retired from active use. Assets held for disposal are stated at net realizable value. Losses arising in the case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant & equipment are recognized in the statement of profit and loss in the year of occurrence.
 - vi. Depreciation
 - Depreciation on property, plant and equipment is provided on a Written down value (WDV) over their useful lives which is in consonance of useful life mentioned in Schedule II to the Companies Act, 2013
 - Depreciation methods, useful lives and residual values are reviewed periodically, including at the end of each financial year and adjusted prospectively.
 - In case of assets purchased, sold or discarded during the year, depreciation on such assets is calculated on pro-rata basis from the date of such addition or as the case may be, upto the date on which such asset has been sold or discarded.
- Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Useful life considered for depreciation are as follows :

Assets	Useful life (In years)
Air conditioner	5 Years
Plant and Equipment	15 Years
Furniture and Fixtures	10 Years
Computer	3 Years
Vehicles	10 Years
Mobile	5 Years
Motor Car	8 Years
Generator	15 Years

1.5 Intangible Assets and Amortisation

Intangible assets are recognized only if it is probable that the future economic benefits attributable to asset will flow to the Company and the cost of asset can be measured reliably. Intangible assets are stated at cost of acquisition/development less accumulated amortization and accumulated impairment loss, if any.

Cost of an intangible asset includes purchase price including non - refundable taxes and duties, borrowing cost directly attributable to the qualifying asset and any directly attributable expenditure on making the asset ready for its intended use. Intangible assets under development comprises of cost incurred on intangible assets under development that are not yet ready for their intended use as at the Balance Sheet date.

1.6 Leases

Lease arrangements where risks and rewards incidental to ownership of an asset substantially vest with the lessor are classified as operating lease. Rental expenses on assets obtained under operating lease arrangements are recognized on a straight-line basis as an expense in the Statement of Profit and Loss over the lease term of respective lease arrangement unless there is another systematic basis which is more representative of the time pattern of the lease

1.7 Impairment

The carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Based on the assessment done at each balance sheet date, recognised impairment loss is further provided or reversed depending on changes in circumstances. After recognition of impairment loss or reversal of impairment loss as applicable, the depreciation charge for the property, plant and equipment is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life. If the conditions leading to recognition of impairment losses no longer exist or have decreased, impairment losses recognized are reversed to the extent it does not exceed the carrying amount that would have been determined after considering depreciation / amortization had no impairment loss been recognized in earlier years.

1.8 Investments:

Investments that are readily realizable and intended to be held for not more than a year from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident. Current investments are carried 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 of long term investments is made to recognise a decline, other than temporary, on an individual investment basis.

Investment transactions are accounted for on a trade date basis. In determining the holding cost of investments and the gain or loss on sale of investments, the 'weighted average cost' method is followed.

1.9 Inventories

i. Raw materials and components, packing materials, consumables, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

The Cost comprises of costs of purchase, duties and taxes (other than those subsequently recoverable) and other costs incurred in bringing them to their present location and condition. Cost is determined on First In First Out / Weighted average / Specific Identification basis.

ii. Work-in-progress / Finished goods are valued at lower of cost and net realizable value. Cost includes direct materials valued on weighted average / First In First Out / Specific Identification basis, conversion costs (i.e. costs directly related to the units of production), appropriate proportion of manufacturing overheads based on normal operating capacity and other costs incurred in bringing them to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

iii. Stocks in trade (Traded goods) are valued at lower of cost and net realizable value. Cost includes direct materials valued on weighted average / First In First Out / Specific Identification basis, and other costs incurred in bringing them to their present location and condition.

iv. Scraps are valued at estimated net realizable value.

v. Cost of inventories is arrived at after providing for cost of obsolescence wherever considered necessary.

1.10 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, cheque on hand, bank balances and deposits with banks with maturity period less than 12 months (other than on lien)

1.11 Cash Flow Statement

Cash Flows are reported using the indirect method, whereby net 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. The cash flows from operating, investing and financing activities of the Company are segregated.

NOTES TO THE RESTATED FINANCIAL STATEMENTS

1.12 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is recognized net of Goods and Services Tax wherever applicable

Sales of Goods: Sales of goods are recognized when significant risks and rewards of ownership of the goods have been transferred to the buyer which generally coincides with delivery and are recorded net of rebates, trade discounts and sales returns.

Sale of Licences: Export Incentive in the form of credit earned on exports made during the year, under DFIA /Duty Entitlement Pass Book (DEPB)/Target Plus Licenses(DFCE), Focus Product Market are accounted for at the time of sale/utilization of license due to uncertainty associated with respect to Sale/Utilization. Duty Drawback is accounted on Accrual Basis

1.13 Other Income

Interest income: Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.
Other Income - It is recognised when It is accrued

1.14 Foreign Currency Transactions

(i)Initial recognition - Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.

(ii)Conversion -As at balance sheet date, foreign currency monetary items are translated at closing exchange rate. Foreign currency non-monetary items are carried at historical cost using exchange rate on the date of transaction.

Exchange Difference Exchange difference arising on settlement or translation of foreign currency monetary items are recognized as income or expense in the year in which they arise except to the extent exchange differences are regarded as an adjustment to interest cost and treated in accordance with Accounting Standard 16- Borrowing Cost

1.15 Retirement and other Employee Benefit

(i) Short term employee benefit

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss in the period in which the employee renders the related service. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus / ex-gratia are recognised in the period in which the employee renders the related service.

(ii) Post employment

Defined Contribution Plan :

The defined contribution plan is post-employment benefit plan under which Company contributes fixed contribution to a government administered fund and will have no obligation to pay further contribution. The Company's defined contribution plan comprises of Provident Fund and Employee State Insurance Scheme. The Company's contribution to defined contribution plans are recognized in the Statement of Profit and Loss in the period in which the employee renders the related service.

NOTES TO THE RESTATED FINANCIAL STATEMENTS

1.16 Taxes

(i) Current Tax : Tax expenses comprises of current tax, deferred tax charge or credit, minimum alternative tax and adjustments of taxes for earlier years. Provision for current tax is made as per the provisions of Income Tax Act, 1961.

(ii) Deferred Tax : Deferred tax charge or credit reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years and are measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. Deferred tax assets are reviewed for the appropriateness of their respective carrying amounts at each balance sheet date. At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably/virtually certain as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

1.17 Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction or development of a qualifying asset are capitalized as part of the cost of the respective asset till such time the asset is ready for its intended use. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest, exchange difference arising from foreign currency borrowings to the extent they are treated as an adjustment to the borrowing cost and other costs that an entity incurs in connection with the borrowing of funds.

1.18 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the period and all periods presented is adjusted for events of bonus issue and share split. For the purpose of calculating diluted earnings per share, the net profit or loss (after tax) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Diluted earnings per share are calculated after adjusting effects of potential equity shares (PES). PES are those shares which will convert into equity shares at a later stage. Profit / loss is adjusted by the expenses incurred on such PES. Adjusted profit/loss is divided by the weighted average number of ordinary plus potential equity share

1.19 Provisions and Contingent liabilities and asset

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value (except retirement benefits) and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. 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. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

A Contingent Asset is neither recognised nor disclosed in the financial statements.

1.20 Events after Balance Sheet

Events occurring after the balance sheet date that indicate that an asset may have been impaired, or that a liability may have existed, at the balance sheet date are, therefore, taken into account in identifying contingencies and in determining the amounts at which such contingencies are included in financial statements

1.21 The various figures of financial statement have been regrouped or reclassified wherever necessary.

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2 Restated Share Capital

Particulars	As at 31 December 2023		As at 31 March, 2023		As at 31 March, 2022		As at 31 March, 2021	
	Number of shares	Amount in Lakhs	Number of shares	Amount in Lakhs	Number of shares	Amount in Lakhs	Number of shares	Amount in Lakhs
(A) Authorised, issued, subscribed and paid-up share capital and par value per share								
a) Authorised Share Capital Equity Shares of Rs.10 each	22,50,00,000	2,250.00	1,10,00,000	1,100.00	2,00,000	20.00	2,00,000	20.00
b) Issued, subscribed and paid up Equity Shares of Rs.10 each	1,48,00,000	1,480.00	74,00,000	740.00	2,00,000	20.00	2,00,000	20.00
Total	1,48,00,000	1,480.00	74,00,000	740.00	2,00,000	20.00	2,00,000	20.00

2.1 Reconciliation of numbers of equity shares outstanding at the beginning and at the end of the year

	No. of Shares as at 31 December 2023	No. of Shares as at 31 March 2023	No. of Shares as at 31 March 2022	No. of Shares as at 31 March 2021
Equity shares as at the beginning of the year	74,00,000	2,00,000	2,00,000	2,00,000
Add : Bonus share Issued during the year	74,00,000	60,00,000	-	-
Add: Preferential Allotment	-	12,00,000	-	-
Equity shares as at the end of the year	1,48,00,000	74,00,000	2,00,000	2,00,000

2.2 The Company has one class of equity shares having a par value of ₹10 each. Each shareholder is eligible for one vote per share held. The dividend proposed (if any) by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

2.3 There is change in the number of shares outstanding at the beginning and at the end of the year which is given in table above.

2.4 Shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Particulars	As at 31 December 2023		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount in Lakhs	No. of shares	Amount in Lakhs	No. of shares	Amount in Lakhs	No. of shares	Amount in Lakhs
Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

2.5 Details of shareholders holding more than 5% shares in the Company

Name of the shareholders	As at 31 December 2023		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
1 Bhavin Jethwa (Director)	89,38,000	60.39%	45,45,000	61.42%	1,55,000	77.50%	1,55,000	77.50%
2 Kanti Jethwa	12,40,000	8.38%	6,20,000	8.38%	20,000	10.00%	20,000	10.00%
3 Manjula Jethwa	7,75,000	5.24%	3,87,500	5.24%	12,500	6.25%	12,500	6.25%
4 Janki Jethwa	7,75,000	5.24%	3,87,500	5.24%	12,500	6.25%	12,500	6.25%
Total	1,17,28,000	79.24%	59,40,000	80.27%	2,00,000	100%	2,00,000	100%

2.6. For the period of five years immediately preceding the date at which balance sheet is prepared

Particulars	As at 31 December 2023		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
	No. of shares	Amount in Lakhs (Class)	No. of shares	Amount in Lakhs (Class)	No. of shares	Amount in Lakhs (Class)	No. of shares	Amount in Lakhs (Class)
(i) Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-	-	-	-
(ii) Aggregate number and class of shares allotted as fully paid up by way of bonus shares	74,00,000	740.00 (Fully Paid Equity Shares)	60,00,000	600.00 (Fully Paid Equity Shares)	-	-	-	-
(iii) Aggregate number and class of shares bought back	-	-	-	-	-	-	-	-

2.7 Details of shareholding of Promoters holding.

Name of the shareholders	As at 31 December 2023		As at 31 March 2023		As at 31 March 2022		As at 31 March 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
1 Bhavin Jethwa (Director)	89,38,000	60.39%	45,45,000	61.42%	1,55,000	77.50%	1,55,000	77.50%
2 Kanti Jethwa	12,40,000	8.38%	6,20,000	8.38%	20,000	10.00%	20,000	10.00%
3 Manjula Jethwa	-	-	3,87,500	5.24%	12,500	6.25%	12,500	6.25%
4 Janki Jethwa	7,75,000	5.24%	3,87,500	5.24%	12,500	6.25%	12,500	6.25%
Total	1,09,53,000	74.01%	59,40,000	80.27%	2,00,000	100.00%	2,00,000	100.00%

3 Restated Reserves & Surplus

Particulars	As at 31 December 2023 Amount in lakhs	As at 31 March, 2023 Amount in lakhs	As at 31 March, 2022 Amount in lakhs	As at 31 March, 2021 Amount in lakhs
Share Premium	621.50	945.50	945.50	945.50
Add: Issue of Preferential Shares	-	276.00	-	-
Less: Utilized for issue of Bonus shares	(621.50)	(600.00)	-	-
Total (A)	-	621.50	945.50	945.50
Profit & Loss				
As per Carried Forward	740.80	502.92	204.34	581.87
Add: Profit/ (Loss) for the Year	102.99	237.88	298.58	41.53
Less: Restatement adjustment	-	-	-	(419.05)
Less: Utilized for issue of Bonus shares	(118.50)	-	-	-
Amount available for appropriation	725.28	740.80	502.92	204.34
Balance in profit & loss account as at the end (B)	725.28	740.80	502.92	204.34
Total	725.28	1,362.30	1,448.42	1,149.84

Nature & Purpose of Reserves:

-**Securities premium reserve** : Securities premium reserve is created due to premium on issue of shares. These reserve is utilized in accordance with the provisions of the Companies Act, 2013
-**Retained Earnings** : Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

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4 Restated Long-Term Borrowings

Particulars	As at 31 December 2023 Amount in lakhs	As at 31 March, 2023 Amount in lakhs	As at 31 March, 2022 Amount in lakhs	As at 31 March, 2021 Amount in lakhs
	Non Current	Non Current	Non Current	Non Current
Secured Borrowings				
Guaranteed by Directors				
Loan From Bank/NBFCs	-	-	230.02	228.00
Secured Borrowings				
Others	-	-	-	-
Loan From Bank/NBFC	604.71	631.91	466.66	461.09
Unsecured Borrowings				
Loan From Banks/NBFCs	2,116.63	2,021.46	825.08	711.93
Loan From Directors & Relatives	1,344.82	1,243.07	1,243.07	1,255.84
Current Maturities of Long Term Borrowings	(245.29)	(310.20)	(91.46)	(219.60)
Total	3,820.87	3,586.25	2,673.37	2,437.26

Nature of securities and terms of repayment of Long term borrowing-

Details of repayment, rate of interest and security for loans from bank and financial institutions including current maturities :

Particulars	Nature Of Securities*	Purpose	Rate of Interest	Commencement date	End date	Terms of Repayment	Sanction Amount
Unsecured: Loan From Banks/NBFCs	Unsecured	Business Loan	15% p.a	05-12-2023	05-11-2025	36 Monthly Installments	50.00
	Unsecured	Business Loan	17% p.a	03-05-2022	03-04-2025	36 Monthly Installments	35.35
	Unsecured	Business Loan	17% p.a	31-10-2023	02-11-2026	36 Monthly Installments	50.25
	Charge by Equitable Mortgage of Director's (Bhavin Jethwa) Personal property situated at 1104, Lodha Supremus, DR E Moses Road, Worli Naka, Worli, Mumbai	Business Loan	9% p.a	03-06-2022	03-05-2037	180 Monthly Installments	251.00
	Charge by Equitable Mortgage of Director's (Bhavin Jethwa) Personal property situated at 1104, Lodha Supremus, DR E Moses Road, Worli Naka, Worli, Mumbai	Business Loan	9% p.a	03-06-2022	03-05-2037	180 Monthly Installments	220.00
	Unsecured	Business Loan	17%	03-04-2023	03-03-2026	36 Monthly Installments	30.18
	Unsecured	For the purchase of Motor Vehicle	9% p.a	04-04-2021	04-03-2026	60 Monthly Installments	100.00
	Unsecured	Business Loan	16.5% p.a	03-12-2023	03-11-2026	36 Monthly Installments	35.00
	Unsecured	Business Loan	Floating	03-12-2023	03-11-2026	36 Monthly Installments	35.36
	Unsecured	Business Loan	16.5% p.a	02-11-2023	02-05-2025	18 Monthly Installments	30.30
	Secured by Property of Director - Flat No. 801 / 802 8th Floor Sankalp Chsl Grant Road West, Mumbai	Loan for Property Purchase for Director	16.75% p.a	04-06-2022	04-05-2037	180 Monthly Installments	962.50
	Secured by Property of Director - Flat No. 801 / 802 8th Floor Sankalp Chsl Grant Road West, Mumbai	Business Loan	Floating	04-11-2023	04-10-2033	120 Monthly Installments	240.00
	Unsecured	Business Loan	17% p.a	04-03-2023	04-02-2026	36 Monthly Installments	50.00
	Secured against motor car	For the purchase of Motor Vehicle	12.85% p.a	03-04-2023	03-01-2028	58 Monthly Installments	200.00
	Unsecured	Business Loan	16.50%	03-12-2023	03-11-2026	36 Monthly Installments	30.60
Secured: Loan From Bank/NBFC	Current Assets of Company, Directors property at 446 & 447th, 4th Floor, Shah and Nahar Industrial Estate, Lower Parel & Personal Property at 1104, Lodha Supremus, Dr.E Moses Road, Worli, Mumbai	Business Loan	9.25	23-02-2023	NA	NA	600.00
Unsecured : Loan From Directors & Relatives	Unsecured	Business Loan	NA	NA	NA	NA	NA
	Unsecured	Business Loan	NA	NA	NA	NA	NA
	Unsecured	Business Loan	NA	NA	NA	NA	NA

*A charge is being shown as Active from 6th March 2014 it is pertaining to a loan taken from ING Vyasa Bank now Kotak Bank , the loan related to such charge has been closed but the charge is not removed by Kotak Bank cause of a dispute after a loan closure. The dispute is shown as Contingent Liability refer note 32 of Contingent Liability

** Charge is yet to be registered with the Ministry of Corporate Affairs

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Restated Deferred Tax Liability

Particulars	As at 31 December, 2023 Amount in lakhs	As at 31 March, 2023 Amount in lakhs	As at 31 March, 2022 Amount in lakhs	As at 31 March, 2021 Amount in lakhs
Deferred Tax Liability	-	-	-	-
Total	-	-	-	-

6 Restated Short-Term Borrowings

Particulars	As at 31 December, 2023 Amount in lakhs	As at 31 March, 2023 Amount in lakhs	As at 31 March, 2022 Amount in lakhs	As at 31 March, 2021 Amount in lakhs
Secured Borrowings				
From Banks				
Repayable on Demand				
Cash Credit/Overdraft	1,706.58	1,707.00	182.75	376.44
Export Packing Credit	874.56	922.66	2,150.34	1,788.37
Foreign Currency Demand Loan	-	-	-	437.54
Unsecured Borrowings				
Cash Credit/Overdrafts	91.88	7.93	12.30	-
Export Packing Credits	-	-	-	-
Foreign Currency Demand Loans	-	-	-	-
Current Maturities of Long term borrowings	245.29	310.20	91.46	219.60
Total	2,918.31	2,947.78	2,436.85	2,821.95

Nature of securities and terms of repayment of Short term borrowing-

Details of repayment, rate of interest and security for loans from bank and financial institutions including current maturities :

Particulars	Nature Of Securities*	Purpose	Rate of Interest	Commencement date	End date	Terms of Repayment	Sanction Amount
Secured: Export Packing Credit	Current Assets of Company, Directors property at 446 & 447th, 4th Floor, Shah and Nahar Industrial Estate, Lower Parel & Personal Property at 1104, Lodha Supremus, Dr.E Moses Road, Worli, Mumbai	Business Loan	REPO+4%	23-01-2023	NA	NA	840.00
	Current Assets of Company, Directors property at 446 & 447th, 4th Floor, Shah and Nahar Industrial Estate, Lower Parel & Personal Property at 1104, Lodha Supremus, Dr.E Moses Road, Worli, Mumbai	Business Loan	6.25%	31-10-2022	NA	NA	175.00
Secured: Cash Credit/Overdraft	Current Assets of Company, Directors property at 446 & 447th, 4th Floor, Shah and Nahar Industrial Estate, Lower Parel & Personal Property at 1104, Lodha Supremus, Dr.E Moses Road, Worli, Mumbai	Business Loan	9.25	29-05-2021	NA	NA	228.00
	Current Assets of Company, Directors property at 446 & 447th, 4th Floor, Shah and Nahar Industrial Estate, Lower Parel & Personal Property at 1104, Lodha Supremus, Dr.E Moses Road, Worli, Mumbai	Business Loan	9.25	10-03-2023	NA	NA	115.00
	Current Assets of Company, Directors property at 446 & 447th, 4th Floor, Shah and Nahar Industrial Estate, Lower Parel & Personal Property at 1104, Lodha Supremus, Dr.E Moses Road, Worli, Mumbai	Business Loan	8.50% p.a	18-06-2022	18-06-2026	48 Monthly Installments	1,000.00
	Current Assets of Company, Directors property at 446 & 447th, 4th Floor, Shah and Nahar Industrial Estate, Lower Parel & Personal Property at 1104, Lodha Supremus, Dr.E Moses Road, Worli, Mumbai	Business Loan	9.25	30-09-2022	NA	NA	200.00
	Current Assets of Company, Directors property at 446 & 447th, 4th Floor, Shah and Nahar Industrial Estate, Lower Parel & Personal Property at 1104, Lodha Supremus, Dr.E Moses Road, Worli, Mumbai	Business Loan	10.55%	31-10-2022	NA	NA	540.00
Unsecured: Cash Credit/Overdrafts	Unsecured	Business Loan	12.00% p.a	02-12-2023	01-01-2024	30 Days	84.00
	No data available	Business Loan	REPO + 13.85%	25-09-2022	NA	NA	8.00

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7 Restated Trade Payables

Particulars	As at 31 December, 2023 Amount in lakhs	As at 31 March, 2023 Amount in lakhs	As at 31 March, 2022 Amount in lakhs	As at 31 March, 2021 Amount in lakhs
Sundry Creditors				
Dues to Micro & Small Enterprises*	35.77	57.12	24.57	-
Others:	1,931.84	1,126.39	1,151.50	17.12
Total	1,967.61	1,183.51	1,176.07	17.12

* the company has compiled this information based on the current information in its possession. As at 31 December 2023, no supplier other than mentioned above has intimated the company about its status as a Micro or Small Enterprise or its registration with the appropriate authority under the Micro, Small and Medium Enterprises Development Act, 2006.

Ageing for Trade Payables outstanding as on 31 December 2023 is as follows

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME*	-	34.75	1.02	-	-	35.77
(ii)Others	-	1,714.09	211.20	6.55	-	1,931.84
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Other	-	-	-	-	-	-

Ageing for Trade Payables outstanding as on 31 March 2023 is as follows

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME*	-	57.12	-	-	-	57.12
(ii)Others	-	997.44	128.96	-	-	1,126.39
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Other	-	-	-	-	-	-

Ageing for Trade Payables outstanding as on 31 March 2022 is as follows

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME*	-	24.57	-	-	-	24.57
(ii)Others	-	1,151.50	-	-	-	1,151.50
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Other	-	-	-	-	-	-

Ageing for Trade Payables outstanding as on 31 March 2021 is as follows

Particulars	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME*	-	-	-	-	-	-
(ii)Others	-	17.12	-	-	-	17.12
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Other	-	-	-	-	-	-

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***MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.**

	Particulars	As at 31 December, 2023 Amount in lakhs	As at 31 March, 2023 Amount in lakhs	As at 31 March 2022 Amount in lakhs	As at 31 March 2021 Amount in lakhs
(a)	Principal amount and Interest due thereon remaining unpaid to any supplier covered under MSMED Act, 2006 :		-	-	-
	Principal amount due to micro and small enterprises	35.77	57.12	24.57	-
	Interest due on above	-	-	-	-
(b)	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-	-
(c)	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-	-
(d)	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-	-
(e)	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-	-	-

8 Restated Other Current Liabilities

Particulars	As at 31 December, 2023 Amount in lakhs	As at 31 March, 2023 Amount in lakhs	As at 31 March, 2022 Amount in lakhs	As at 31 March, 2021 Amount in lakhs
Advance From Customer	260.49	3.31	-	-
TDS Payable	8.16	20.40	7.01	-
TCS payable	(0.25)	0.84	3.37	-
GST Payable	4.35	4.35	-	-
Director Remuneration Payable	31.37	14.27	-	-
Audit fees payable	2.25	1.00	-	-
Dividend Payable	-	-	-	-
Other Current Liabilities	0.80	-	-	-
Total	307.17	44.17	10.38	-

9 Restated Short Term Provisions

Particulars	As at 31 December, 2023 Amount in lakhs	As at 31 March, 2023 Amount in lakhs	As at 31 March, 2022 Amount in lakhs	As at 31 March, 2021 Amount in lakhs
Provision on Expense	32.41	32.77	-	-
Provision for Taxation		-		
For F.Y 2020-21	-	-	9.02	27.31
For F.Y 2021-22	1.27	1.27	95.13	-
For F.Y 2022-23	75.03	75.03	-	-
For F.Y 2023-24	27.10	-	-	-
TCS receivable	(3.58)	(2.05)	(5.92)	(1.14)
TDS receivable	(3.03)	(3.05)	(3.19)	(4.43)
Total	129.20	103.96	95.05	21.73

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Notes forming part of the Restated financial statements

10 Property, Plant and Equipment and Intangible Assets

FY 2023-24

Particulars	Gross Block				Accumulated Depreciation				Amount in lakhs	
	01.04.2023	Additions	Deletion	31.12.2023	01.04.2023	Additions	Deletion	31.12.2023	31.12.2023	31.3.2023
	Net Block									
Tangible Assets										
Air conditioner	3.45	-	-	3.45	1.55	0.82	-	2.38	1.07	1.89
Computer Printer	4.97	-	-	4.97	3.57	0.66	-	4.23	0.74	1.40
Eureka Forbes Machine	0.01	-	-	0.01	0.00	0.00	-	0.00	0.01	0.01
Furniture & Fixtures	14.14	0.30	-	14.44	7.25	1.39	-	8.64	5.80	6.89
Generator	0.19	-	-	0.19	0.09	0.01	-	0.10	0.09	0.10
Mobile Phone	0.43	1.19	-	1.62	0.15	0.22	-	0.37	1.25	0.29
Motor Car	683.12	-	-	683.12	234.56	105.18	-	339.73	343.39	448.57
Plant and Machinery	135.89	0.11	-	135.99	41.48	12.84	-	54.31	81.68	94.41
Total	842.20	1.59	-	843.80	288.64	121.12	-	409.76	434.03	553.56

FY 2022-23

Particulars	Gross Block				Accumulated Depreciation				Amount in lakhs	
	1.04.2022	Additions	Deletion	31.03.2023	1.04.2022	Addition	Deletion	31.03.2023	31.3.2023	31.03.2022
	Net Block									
Tangible Assets										
Air conditioner	3.45	-	-	3.45	1.14	0.42	-	1.55	1.89	2.31
Computer Printer	3.20	1.77	-	4.97	2.77	0.80	-	3.57	1.40	0.43
Eureka Forbes Machine	0.01	-	-	0.01	0.00	0.00	-	0.00	0.01	0.01
Furniture & Fixtures	13.04	1.10	-	14.14	5.74	1.51	-	7.25	6.89	7.30
Generator	0.19	-	-	0.19	0.06	0.02	-	0.09	0.10	0.13
Mobile Phone	0.27	0.16	-	0.43	0.09	0.06	-	0.15	0.29	0.18
Motor Car	433.12	250.00	-	683.12	192.09	42.47	-	234.56	448.57	241.03
Plant and Machinery	88.86	47.03	-	135.89	25.32	16.15	-	41.48	94.41	63.54
Total	542.15	300.05	-	842.20	227.21	61.43	-	288.64	553.56	314.94

FY 2021-22

Particulars	Gross Block				Accumulated Depreciation				Amount in lakhs	
	01-04-2021	Additions	Deletion	31-03-2022	01-04-2021	Addition	Deletion	31-03-2022	31-03-2022	31-03-2021
	Net Block									
Tangible Assets										
Air conditioner	3.45	-	-	3.45	0.62	0.51	-	1.14	2.31	2.82
Computer Printer	3.20	-	-	3.20	2.02	0.74	-	2.77	0.43	1.18
Eureka Forbes Machine	0.01	-	-	0.01	0.00	0.00	-	0.00	0.01	0.01
Furniture & Fixtures	13.04	-	-	13.04	3.19	2.55	-	5.74	7.30	9.85
Generator	0.19	-	-	0.19	0.03	0.03	-	0.06	0.13	0.15
Mobile Phone	0.27	-	-	0.27	0.05	0.04	-	0.09	0.18	0.22
Motor Car	433.18	100.00	100.06	433.12	82.60	109.49	-	192.09	241.03	350.58
Plant and Machinery	63.24	25.62	-	88.86	11.28	14.04	-	25.32	63.54	51.96
Total	516.59	125.62	100.06	542.15	99.81	127.40	-	227.21	314.94	416.78

FY 2020-21

Particulars	Gross Block				Accumulated Depreciation				Amount in lakhs	
	01.04.2020	Additions	Deletion	31-03-2021	01.04.2020	Addition	Deletion	31.03.2021	31-03-2021	31-03-2020
	Net Block									
Tangible Assets										
Air conditioner	3.45	-	-	3.45		0.62		0.62	2.82	3.45
Computer Printer	3.20	-	-	3.20		2.02		2.02	1.18	3.20
Eureka Forbes Machine	0.01	-	-	0.01		0.00		0.00	0.01	0.01
Furniture & Fixtures	12.03	1.01	-	13.04		3.19		3.19	9.85	12.03
Generator	0.19	-	-	0.19		0.03		0.03	0.15	0.19
Mobile Phone	0.27	-	-	0.27		0.05		0.05	0.22	0.27
Motor Car	221.61	211.58	-	433.18		82.60		82.60	350.58	221.61
Plant and Machinery	61.73	1.51	-	63.24		11.28		11.28	51.96	61.73
Total	302.49	214.10	-	516.59	-	99.81	-	99.81	416.78	302.49

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11 Restated Deffered Tax Asset

Particulars	As at 31 December, 2023 Amount in lakhs	As at 31 March, 2023 Amount in lakhs	As at 31 March, 2022 Amount in lakhs	As at 31 March, 2021 Amount in lakhs
Opening Balance				
Opening Deferred Tax Assets/(Liabilities)	20.08	36.92	32.89	-
Deferred Tax Asset/(Liability) during the year	6.85	(16.84)	4.02	32.89
Total	26.93	20.08	36.92	32.89

12 Restated Other Non Current Assets

Particulars	As at 31 December, 2023 Amount in lakhs	As at 31 March, 2023 Amount in lakhs	As at 31 March, 2022 Amount in lakhs	As at 31 March, 2021 Amount in lakhs
Deposit with Suppliers	1,291.54	1,397.03	1,397.03	1,337.00
Less : Provision for Deposits		-	-	-
	1,291.54	1,397.03	1,397.03	1,337.00
Other Deposits	0.25	0.25	0.25	0.25
Office Deposit	7.50	7.50	7.50	7.50
Total	1,299.29	1,404.78	1,404.78	1,344.75

13 Restated Inventories

Particulars	As at 31 December, 2023 Amount in lakhs	As at 31 March, 2023 Amount in lakhs	As at 31 March, 2022 Amount in lakhs	As at 31 March, 2021 Amount in lakhs
Semi-Finished goods	3,187.42	2,936.12	3,895.39	2,873.81
Finished Goods	2,037.86	1,897.50	38.23	28.20
Total	5,225.28	4,833.62	3,933.62	2,902.01

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14 Restated Trade Receivables

Particulars	As at 31 December, 2023 Amount in lakhs	As at 31 March, 2023 Amount in lakhs	As at 31 March, 2022 Amount in lakhs	As at 31 March, 2021 Amount in lakhs
Outstanding for more than six months				
<u>Unsecured, considered good</u>				
From Related Parties	-	-	296.62	-
Others:	521.46	531.92	454.28	67.09
Others				
<u>Unsecured considered good</u>				
From Related Parties	-	-	684.95	-
Others	1,910.61	1,316.90	340.88	1,432.69
Less : Provision for Doubtful Debts	-	-	-	-
Total	2,432.07	1,848.81	1,776.72	1,499.77

Ageing for Trade Receivables as on 31 December 2023

Particulars	Outstanding for period 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	1,910.61	320.17	135.49	65.80	-	2,432.07
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

Ageing for Trade Receivables as on 31 March 2023

Particulars	Outstanding for period 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	1,316.90	442.34	89.57	-	-	1,848.81
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

Ageing for Trade Receivables as on 31 March 2022

Particulars	Outstanding for period 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	1,025.82	701.05	49.84	-	-	1,776.72
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

Ageing for Trade Receivables as on 31 March 2021

Particulars	Outstanding for period 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	1,432.69	67.09	-	-	-	1,499.77
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

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15 Restated Cash & Cash Equivalents

Particulars	As at 31 December, 2023 Amount in lakhs	As at 31 March, 2023 Amount in lakhs	As at 31 March, 2022 Amount in lakhs	As at 31 March, 2021 Amount in lakhs
Balances with Banks				
In current account	5.80	39.99	71.79	27.01
Fixed Deposits with Banks	207.06	123.06	122.00	117.00
Cash in Hand	38.83	6.14	4.67	3.71
Total	251.69	169.20	198.46	147.72

16 Restated Short-term loans and advances

Particulars	As at 31 December, 2023 Amount in lakhs	As at 31 March, 2023 Amount in lakhs	As at 31 March, 2022 Amount in lakhs	As at 31 March, 2021 Amount in lakhs
<u>Unsecured considered good</u>				
Other Advances	781.07	787.07	123.99	123.99
Loans & Advances to Employees	41.43	13.14	-	-
Total	822.50	800.21	123.99	123.99

17 Restated Other Current Assets

Particulars	As at 31 December, 2023 Amount in lakhs	As at 31 March, 2023 Amount in lakhs	As at 31 March, 2022 Amount in lakhs	As at 31 March, 2021 Amount in lakhs
Advance To Suppliers	706.48	207.56	0.07	-
GST Refund Receivable	(40.22)	64.62	25.13	-
Input GST	(4.55)	20.02	-	-
Tax paid Against Appeal	45.50	45.50	45.50	-
Other Current Assets	149.44	-	-	-
Total	856.65	337.70	70.70	-

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18 Restated Revenue From Operations

Particulars	For the period ended 31 December 2023 Amount in Lakhs	For the year ended 31 March, 2023 Amount in Lakhs	For the year ended 31 March, 2022 Amount in lakhs	For the year ended 31 March, 2021 Amount in lakhs
Revenue from Operations				
Sale of Goods	3,798.76	5,595.44	7,717.62	6,044.76
Sale of Licences	2,123.36	4,760.86	2,435.05	1,774.95
Total	5,922.12	10,356.30	10,152.67	7,819.71

19 Restated Other Incomes

Particulars	For the period ended 31 December 2023 Amount in Lakhs	For the year ended 31 March, 2023 Amount in Lakhs	For the year ended 31 March, 2022 Amount in lakhs	For the year ended 31 March, 2021 Amount in lakhs
Duty Drawback	59.04	84.83	110.88	136.32
Income From Mutual Fund	-	-	-	22.51
Unrealised Exchange Gain	73.72	12.47	4.70	12.11
Realised Exchange Gain*	15.68	70.44	80.14	(16.94)
Interest Income	7.62	9.64	6.73	40.92
Interest Subvention	-	6.83	-	3.19
Profit on sale of Fixed Asset	-	-	16.91	-
Miscellaneous Income	-	0.61	7.65	-
Total	156.06	184.82	227.02	198.10

20 Restated Cost Of Material Consumed

Particulars	For the period ended 31 December 2023 Amount in Lakhs	For the year ended 31 March, 2023 Amount in Lakhs	For the year ended 31 March, 2022 Amount in lakhs	For the year ended 31 March, 2021 Amount in lakhs
Opening Inventory	4,833.62	3,933.62	2,902.01	3,438.41
Add : Purchase During the period	5,619.52	10,025.85	9,846.70	6,646.58
Less : Closing Inventory at the end of the period	(5,225.28)	(4,833.62)	(3,933.62)	(2,902.01)
Total	5,227.86	9,125.85	8,815.09	7,182.98

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21 Restated Employee Benefit Expenses

Particulars	For the period ended 31 December 2023 Amount in Lakhs	For the year ended 31 March, 2023 Amount in Lakhs	For the year ended 31 March, 2022 Amount in lakhs	For the year ended 31 March, 2021 Amount in lakhs
Salary	21.05	34.17	12.03	10.25
Director Remuneration	17.10	14.27	28.80	28.80
Staff Welfare	0.11	0.42	6.97	7.09
Total	38.27	48.86	47.80	46.14

22 Restated Finance Cost

Particulars	For the period ended 31 December 2023 Amount in Lakhs	For the year ended 31 March, 2023 Amount in Lakhs	For the year ended 31 March, 2022 Amount in lakhs	For the year ended 31 March, 2021 Amount in lakhs
Processing Fees & Pre-Closure Charges	20.01	49.92	7.20	-
Interest on Loan	376.50	365.21	292.83	213.86
Bank Charges	17.56	31.04	3.52	42.91
Total	414.06	446.17	303.55	256.77

23 Restated Depreciation

Particulars	For the period ended 31 December 2023 Amount in Lakhs	For the year ended 31 March, 2023 Amount in Lakhs	For the year ended 31 March, 2022 Amount in lakhs	For the year ended 31 March, 2021 Amount in lakhs
Depreciation	121.12	61.43	127.40	99.81
Total	121.12	61.43	127.40	99.81

24 Restated Other Expense

Particulars	For the period ended 31 December 2023 Amount in Lakhs	For the year ended 31 March, 2023 Amount in Lakhs	For the year ended 31 March, 2022 Amount in lakhs	For the year ended 31 March, 2021 Amount in lakhs
Advertisement & Buisness Promotion	7.50	2.11	-	-
Commission & Brokerage	7.30	11.41	35.06	26.98
Courier Charges	2.91	2.91	3.04	-
Conveyence Charges	-	-	22.35	18.41
Donation	1.66	0.61	0.82	-
Electricity Expense	1.19	2.93	2.88	6.84
Rent, Rates & Taxes	30.21	69.73	59.67	47.96
Office Expenses	1.70	5.83	0.23	4.44
Other Expense	42.00	8.44	44.01	44.70
Freight, Clearing & Forwarding	22.60	314.88	479.78	217.21
Insurance Charges	7.93	4.25	7.93	2.57
Telephone & Internet	0.95	0.57	0.20	5.82
Transport Charges	7.62	15.38	-	-
Testing Charges	0.21	0.40	0.07	-
Travelling	6.08	6.38	0.01	4.39
Legal & Professional Fees	6.38	59.33	37.69	17.41
Motor Car Expense	1.98	22.64	0.50	3.80
Printing & Stationery	0.08	0.29	0.16	2.19
Audit Fees	5.32	1.00	1.76	1.50
Total	153.62	529.08	696.16	404.22

Following is the breakup of Auditor's remuneration:	For the period ended 31 December 2023 Amount in Lakhs	For the year ended 31 March, 2023 Amount in Lakhs	For the year ended 31 March, 2022 Amount in lakhs	For the year ended 31 March, 2021 Amount in lakhs
Statutory auditor	4.32	1.00	1.76	1.50
Tax Audit	1.00	-	-	-

25 Earning per Equity Share

Particulars	For the period ended 31 December 2023 Amount in Lakhs	For the year ended 31 March, 2023 Amount in Lakhs	For the year ended 31 March, 2022 Amount in lakhs	For the year ended 31 March, 2021 Amount in lakhs
Profit after tax (Amount in lakhs)	102.99	237.88	298.58	41.53
Number of shares outstanding at the year end	1,48,00,000	74,00,000	2,00,000	2,00,000
Weighted average number of equity shares(adjusted)	1,48,00,000	1,44,18,630	1,36,00,000	1,36,00,000
Basic EPS from continuing Operations	0.70	1.65	2.20	0.31
Diluted EPS from continuing Operations	0.70	1.65	2.20	0.31

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26 **Borrowing against current assets**

31 December 2023

Books reconciliation with Statement submitted to bank

Particulars	As per Books	As per statements	Differences	Reasons
Inventory	5,225.28	5,225.28	-	N/A
Sundry Debtors	2,432.07	2,684.03	(251.96)	The data provided to bank was based on provisional unaudited figures

31 March 2023

Books reconciliation with Statement submitted to bank

Particulars	As per Books	As per statements	Differences	Reasons
Inventory	4,833.62	4,833.62	-	N/A
Sundry Debtors	1,848.81	1,475.22	373.59	Only Debtors outstanding for less than 3 months were reported to the bank

27 There are no Immovable Property held in name of the Company.

28 **Foreign Exchange**

Particulars	As at 31 December 2023	As at 31 March 2023	As at 31 March 2022	As at 31 March 2021
Foreign exchange earned	2,764.55	3,683.50	4,502.15	3,651.57
Foreign exchange expended	-	-	-	-

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29 Related Party Transactions

Key Managerial Person

1. Chintan Mehta (Till 31st August 2021)
2. Siddhi Jain Company Secretary (From 16 August 2022 to 1 September 2023)
3. Chetan Solanki Chief Financial Officer (From 16 August 2022)
4. Supriya Gupta Company Secretary (From 28 December 2023)

Directors

1. Mr Kantilal Jethwa
2. Mr Bhavin Jethwa
3. Mrs Janki Jethwa (till 19 March 2024)
4. Mrs Manjula Jethwa (till 22 September 2022)
5. Jignesh Makwana (till 1 March 2024)
6. Narendra Patel (Till 28 December 2023)
7. Manish Kamalia
8. Falguni Shah

Enterprise where Directors have significant Influence

Related Party	Person Intrested	Type of Relationship
Pradeep International	Mr. Bhavin Jethva	Proprietor
Imperial Linens	Mr. Chintan Mehta	Proprietor
Kantilal Jivaram Jethwa HUF	Mr. Kantilal Jethwa	Karta
Bhavin Kantilal Jethwa HUF	Mr. Bhavin Jethva	Karta
Neelam Garments	Mr. Bhavin Jethva	Proprietor
Balaji Enterprises	Mrs. Manjula K Jethva	Proprietor
Neelam Creation	Mr. Kantilal Jethwa	Proprietor

Relatives of Key Managerial Persons and Directors

Name of Relatives	Relationship with Key Managerial Persons/Directors
Mr. Jivram Jethwa	Father of Kanti Jethwa
Ms. Sakarben Jethwa	Mother of Kanti Jethwa
Mr. Mohanbhai Jethwa	Brother of Kanti Jethwa
Ms. Neelam Gohil	Daughter of Kanti Jethwa
Ms. Manjula Jethwa	Spouse of Kanti Jethwa
Ms. Janki Jethwa	Spouse of Bhavin Jethwa
Mr. Ansh Jethwa	Son of Bhavin Jethwa
Ms. Tanisha Jethwa	Daughter of Bhavin Jethwa
Ms. Anjali Kamalia	Spouse of Manish Kamalia
Ms. Sneha Goyal	Daughter of Manish Kamalia
Ms. Vallavi Kamalia	Daughter of Manish Kamalia
Mr. Rahul Shah	Spouse of Falguni Shah
Mr. Rajesh Shah	Father of Falguni Shah
Ms. Varsha Shah	Mother of Falguni Shah
Ms. Niti Shah	Daughter of Falguni Shah
Ms. Vrinda Shah	Daughter of Falguni Shah
Mr. Dinesh Ratilal Solanki	Father of Chetan Solanki
Ms. Ranjan Dinesh Solanki	Mother of Chetan Solanki
Mr. Pankaj Dinesh Solanki	Brother of Chetan Solanki
Mr. Late. Shivmurti Gupta	Father of Supriya Gupta
Ms. Madhuri Gupta	Mother of Supriya Gupta
Ms. Shashi Gupta	Sister of Supriya Gupta
Mr. Ankush Gupta	Brother of Supriya Gupta
Mr. Rahul Gupta	Spouse of Supriya Gupta
Ms. Mahira Gupta	Daughter of Supriya Gupta
Ms. Trisha Gupta	Daughter of Supriya Gupta

Summary of related party transactions*

Particulars	As at 31 December 2023 Amount in Lakhs	As at 31 March 2023 Amount in Lakhs	As at 31 March 2022 Amount in Lakhs	As at 31 March 2021 Amount in Lakhs
Transactions				
Director and Key Managerial Remuneration				
Mr Kantilal Jethwa	5.40	4.03	7.20	7.20
Mr Bhavin Jethwa	9.00	6.72	12.00	12.00
Mrs Janki B Jethwa	2.70	2.02	3.60	3.60
Mrs Manjula K Jethwa	-	1.50	6.00	6.00
Mrs Siddhi Jain	0.95	1.03	-	-
Mr Chetan Solanki	3.00	8.00	-	-
Transaction & Balances with Related Parties				
Loan from Directors and Relatives				
Mr. Kantilal Jethwa				
Opening Balance	479.93	479.93	595.68	551.28
Received during the year	222.72	-	245.60	180.90
Repaid during the year	218.36	-	361.35	136.50
Closing Balance	484.29	479.93	479.93	595.68
Mr Bhavin Jethwa				
Opening Balance	699.59	699.59	594.85	596.71
Received during the year	437.47	-	373.45	170.63
Repaid during the year	321.90	-	268.72	172.49
Closing Balance	815.15	699.59	699.59	594.85

Neelam Linens And Garments (India) Limited
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Notes forming part of the Restated financial statements

Mrs Janki B Jethwa					
Opening Balance	56.35	56.35	53.63	40.93	
Received during the year	-	-	6.00	39.70	
Repaid during the year	10.97	-	3.28	27.00	
Closing Balance	45.38	56.35	56.35	53.63	
Mrs Manjula K Jethwa					
Opening Balance	7.20	7.20	11.67	108.18	
Received during the year	-	-	440.50	330.48	
Repaid during the year	21.01	-	444.97	426.99	
Closing Balance	(13.80)	7.20	7.20	11.67	
Kantilal Jivaram Jethwa HUF					
Opening Balance	-	-	-	-	
Received during the year	241.00	50.00	371.98	-	
Repaid during the year	241.00	50.00	371.98	-	
Closing Balance	-	-	-	-	
Transactions with Related Parties					
Pradip Internationals-					
Opening Balance	-	-	-	-	
Purchase made during the year	225.23	2,652.68	4,342.96	-	
Payment to Pradip Internationals	620.73	2,652.68	4,342.96	-	
Receipt from Pradip Internationals	342.14	-	-	-	
Closing Balance	(53.36)	-	-	-	
Imperial Linens					
Opening Balance	-	-	468.92	-	
Sales during the year	-	-	1,704.10	-	
Receipt during the year	-	-	920.58	-	
Receivable from Imperial Linens	-	-	1,252.44	-	
* Imperial linens was related party only till 31 August 2021					
Balaji Enterprise					
Opening Balance	37.62	110.99	-	-	
Purchase made during the year	183.64	76.36	111.03	-	
Payment to Balaji Enterprise	-	149.72	0.04	-	
Payable to Balaji Enterprise	221.25	37.62	110.99	-	
Neelam Creation					
Opening Balance	-	-	-	-	
Labour charges purchased	-	-	10.00	-	
Payment to Neelam Creations	-	-	10.00	-	
Closing Balance	-	-	-	-	
Rent paid/accrued					
Rent paid/accrued to Bhavin Jethwa	4.00	-	-	-	

Neelam Linens And Garments (India) Limited
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Notes forming part of the Restated financial statements

30 The Company does not have any transactions or relationships with any companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956

31 Segment Reporting

Based on guiding principle given in Accounting Standard 17 'Segment reporting, Issued by the Institute of Chartered Accountants of India.

a) Primary Segment (Business Segment):

The Company is engaged in the business of Manufacturing of Bedsheets, Shirts and in the trading of Licences. Hence both are considered as the Business Segments for purpose of reporting

Particulars	Manufacturing business	Trading of licence	Amount in lakhs
Segment Revenue			Total
Sale to External Customers			
31-12-2023	3,798.76	2,123.36	5,922.12
31-03-2023	5,595.44	4,760.86	10,356.30
31-03-2022	7,717.62	2,435.05	10,152.67
31-03-2021	6,044.76	1,774.95	7,819.71
			34,250.80
Segment Expense			
31-12-2023	5,338.98	80.77	5,419.75
31-03-2023	5,195.43	4,508.36	9,703.79
31-03-2022	7,436.00	2,123.04	9,559.05
31-03-2021	6,201.11	1,432.24	7,633.35
			32,315.94
Segment Results			
31-12-2023	(1,540.22)	2,042.59	502.36
31-03-2023	400.02	252.50	652.51
31-03-2022	281.61	312.01	593.62
31-03-2021	(156.34)	342.71	186.37
			1,934.86
Finance Costs and Depreciation at enterprise level			
31-12-2023	-	-	535.19
31-03-2023	-	-	507.60
31-03-2022	-	-	430.95
31-03-2021	-	-	356.58
			1,830.31
Profit before tax at Enterprise level			
31-12-2023	-	-	123.24
31-03-2023	-	-	329.74
31-03-2022	-	-	389.68
31-03-2021	-	-	27.90
			870.56
Segment Asset			
31-12-2023	11,348.44		11,348.44
31-03-2023	9,967.97	-	9,967.97
31-03-2022	7,860.13	-	7,860.13
31-03-2021	6,467.92	-	6,467.92
			35,644.45
Segment Liabilities			
31-12-2023	11,348.44		11,348.44
31-03-2023	9,967.97	-	9,967.97
31-03-2022	7,860.13	-	7,860.13
31-03-2021	6,467.92	-	6,467.92
			35,644.45

b) Secondary Segment (Geographical Segments)

During thereporting periods, the Company's sale are located in India and outside India. Hence, the same has been considered as representing a geographical segment

Particulars	Amount in lakhs			
	31-12-2023	31-03-2023	31-03-2022	31-03-2021
India	1,034.21	1,911.95	3,215.46	2,393.20
Outside India	2,764.55	3,683.50	4,502.15	3,651.57

Neelam Linens And Garments (India) Limited
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Notes forming part of the Restated financial statements

32 Restated Contingent Liabilities

Particulars	As at 31 December 2023 Amount in Lakhs	As at 31 March 2023 Amount in Lakhs	As at 31 March 2022 Amount in Lakhs	As at 31 March 2021 Amount in Lakhs
Contingent Liabilities	962.27	455.02	455.02	455.02
Claims against the company not acknowledged as	111.88	111.88	111.88	111.88
Corporate Guarantees Given	-	-	-	-
Bank Guarantees Given	-	-	-	-
Other money for which the company is contingently liable	-	-	-	-
Commitments	-	-	-	-
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-	-
Other commitments (specify nature).	-	-	-	-

Contingent liabilities of Rs. 4,55,01,724/- is on account of demand under section 143 (3) for the Assessment Year 2017-18 which is pending before H'ble CIT (A) Claims Not Acknowledged As Debt With Kotak Mahindra Bank Amounted To Rs. 111.88 Lakhs

33 There is no revaluation made by the Company during the period ended December 31, 2023 and financial year ended March 31, 2023 as well as previous year 2022 and 2021.

34 Company has not purchases its own shares out of free reserves or securities premium account

35 The Financial Statements of a company comply with the accounting standards referred in Section 129(1)

36 Corporate Social Responsibility (CSR) - The Company is not eligible to make CSR fund.

37 Post reporting date events - No adjusting or significant non-adjusting events have occurred between December 31, 2023 and the date of authorisation of these financial statements.

38 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.

39 Balances of Debtors, Creditors, Loans and Liabilities are subject to confirmations. Cash Balance is taken as certified by the Directors

40 Compliance with number of layers of companies - There is no investment in any company, hence there is required to be complied

Neelam Linens And Garments (India) Limited
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Notes forming part of the Restated financial statements

41 Reconciliation of Profit & loss

Material Adjustments in Restated Profit & Loss Account:				
Particulars	For the Period/FY ended (Rs. In Lakhs)			
	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Profit after tax as per Books of Accounts	102.99	225.10	102.93	63.72
Creation of Deferred Tax asset	-	(3.29)	83.05	32.89
Difference in Tax provision	-	-	-	-
Additional depreciation debited to P&L	-	16.06	(38.98)	(31.03)
Unaccounted Finance cost	-	-	(0.23)	-
Reversal of provision for Gratuity	-	-	73.16	-
Reversal of Exchange loss	-	-	(0.74)	(19.22)
Recognition of Exchange loss - Unrealized	-	-	4.70	12.11
Recognition of Exchange loss - Realized	-	-	80.14	(16.94)
Profit on sale of Fixed Assets	-	-	16.91	-
Booking of Interest of loan	-	-	(22.37)	-
Profit after tax as per Restated	102.99	237.88	298.58	41.53

Material Adjustments in Restated Reserve & Surplus:				
Particulars	For the Period/FY ended (Rs. In Lakhs)			
	31-12-2023	31-03-2023	31-03-2022	31-03-2021
Balance of Reserve & Surplus before Restatement	1,362.30	1,448.42	1,149.84	1,632.02
Restatement adjustment in opening reserve	-	-	-	(419.05)
Change in Fixed assets as per Companies Act	-	-	-	(104.65)
Change in Profit due to restatement	-	-	-	-
Total of opening Equity as per Financials	1,362.30	1,448.42	1,149.84	1,108.32
Add: Profit for the current year	102.99	237.88	298.58	41.53
Add: Security Premium received on issue of Equity shares	-	276.00	-	-
Less: Utilized during the year	(740.00)	(600.00)	-	-
Less: Dividend Payable	-	-	-	-
Total Closing Equity As per Financials	725.28	1,362.30	1,448.42	1,149.84

Neelam Linens And Garments (India) Limited
(Formerly Known as Neelam Linens and Garments Private Limited)
CIN: U17299MH2010PLC208010
Notes forming part of the Restated financial statements

42 Ratio Analysis

A) Ratios

Sr No:	Ratio	Numerator	Denominator	31-12-23 Ratios	31-03-23 Ratios	31-03-22 Ratios	31-03-21 Ratios
1	Current Ratio	Current Assets	Current Liabilities	1.80	1.87	1.64	1.63
2	Debt Equity Ratio	Total Debt	Shareholder's Equity	3.06	3.11	3.48	4.50
3	Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service – Interest and lease payments + Principal repayments	1.22	1.39	1.39	1.08
4	Return on Equity Ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	4.78%	13.32%	22.63%	3.46%
5	Inventory Turnover Ratio	Revenue from operations	Average Inventory	1.18	2.36	2.97	2.47
6	Trade Receivables Ratio	Revenue from operations	Average Trade Receivables	2.77	5.71	6.20	3.70
7	Trade Payables Ratio	Total Purchases	Average Trade Payables	3.32	7.74	14.78	730.62
8	Net Capital Turnover Ratio	Net Sales	Average working capital (i.e. Total current assets less Total current liabilities)	1.48	3.40	4.84	3.82
9	Net Profit Ratio (in %)	Net Profit	Revenue from operations	1.74%	2.30%	2.94%	0.53%
10	Return on Capital employed (in %)	Earning before interest and taxes	Capital employed = Tangible Net worth + Total debt + Deferred tax liabilities	6.01%	8.98%	10.54%	4.43%
11	Return on investment (in %)	Income generated from invested funds	Average invested funds in treasury investments	4.62%	7.87%	5.63%	9.80%
12	Interest Coverage Ratio	Earning before interest and taxes	Finance Cost	1.30	1.74	2.28	1.11

B) Comparisons

% Changes in Ratio and Reasons

Ratio	31-12-23	31-03-23	Variance %	Reasons for Changes if > 25%
Current Ratio	1.80	1.87	-4%	N/A
Debt Equity Ratio	3.06	3.11	-2%	N/A
Debt Service Coverage Ratio	1.22	1.39	-12%	N/A
Return on Equity Ratio	4.78%	13.32%	-64%	Increase in Shareholders' fund due to bonus shares
Inventory Turnover Ratio	1.18	2.36	-50%	Maintaining the inventory level to meet the future expected market demands
Trade Receivables Turnover Ratio	2.77	5.71	-52%	The company has implemented revised credit management strategies, leading to decrease in the average credit period
Trade Payables Turnover Ratio	3.32	7.74	-57%	Improved relationships with suppliers due to early payment
Net Capital Turnover Ratio	1.48	3.40	-56%	Increase in the inventory level to meet the future expected market demands
Net Profit Ratio	1.74%	2.30%	-24%	N/A
Return on Capital employed	6.01%	8.98%	-33.1%	Since return is not annualised data is not comparable
Return on investment	4.62%	7.87%	-41.4%	Interest income is not annualised
Interest Coverage Ratio	1.30	1.74	-25%	N/A

For MASD & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 146249W

For and on Behalf of,
Neelam Linens And Garments (India) Limited

CA Aakash Mehta
Partner
M. No. 165824
Place: Mumbai
Date: 20 March 2024
UDIN: 24165824BKBZJJ8729

Bhavin Jethwa
Managing Director
DIN: 03111560
Place: Mumbai
Date: 20 March 2024

Kanti Jethwa
WholeTime Director
DIN: 03111562
Place: Mumbai
Date: 20 March 2024

Chetan Solanki
Chief Financial Officer

Supriya Gupta
Company Secretary
M. No: A46992

OTHER FINANCIAL INFORMATION

SUMMARY OF ACCOUNTING RATIOS

The accounting ratios derived from Restated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below:

Particulars	For the period ended December 31, 2023	As at/for the Fiscal ended		
		March 31, 2023	March 31, 2022	March 31, 2021
Net Worth (A)	2,205.28	2,102.30	1,468.42	1,169.84
Net Profit after Tax (B)	102.99	237.88	298.58	41.53
No. of Shares outstanding at the end (C)	1,48,00,000	74,00,000	2,00,000	2,00,000
Face Value Per share	10.0	10.0	10.0	10.0
Adjusted Face Value Per share for ratio calculations	10.0	10.0	10.0	10.0
Weighted average number of shares post effect of bonus issue (D)	1,48,00,000	1,44,18,630	1,36,00,000	1,36,00,000
Earnings per Share (EPS) (B / D) (Rs.)	0.70	1.65	2.20	0.31
Return on Net Worth (B / A)	4.67%	11.32%	20.33%	3.55
Net Assets Value per Share (A / D)	14.90	14.58	10.80	8.60

(₹ in lakhs)

Notes:

The ratios have been calculated as below:

- 1) *Basic Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Equity Shares outstanding during the year.*
- 2) *Diluted Earnings Per Share (Rs.) = Restated PAT attributable to Equity Shareholders/ Weighted Average Number of Diluted Potential Equity Shares outstanding during the year.*
- 3) *Return on Net Worth (%) = Restated PAT attributable to Equity Shareholders/ Net Worth X 100.*
- 4) *Restated Net Asset Value per equity share (Rs.) = Restated Net Worth as at the end of the year/ Total Number of Equity Shares outstanding during the year.*
- 5) *Earnings Per Share calculation are in accordance with Accounting Standard 20-Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended*
- 6) *Net Worth = Equity Share Capital + Reserve and Surplus (including surplus in the Statement of Profit & Loss)*

CAPITALISATION STATEMENT

The following table sets forth our Company's capitalization as at December 31, 2023 as derived from our Restated Financial Statements. This table should be read in conjunction with the sections titled "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Financial Information" and "Risk Factors" on pages 155, 149, and 29 respectively.

Particulars	<i>(Amount in ₹ in Lakhs)</i>	
	Pre-Issue	Post-Issue
Borrowings		
Short term debt (A)	2,673.02	[●]
Long Term Debt (including current maturities) (B)	4,066.17	[●]
Total debts (C)	6,739.19	[●]
Shareholders' funds		
Equity	1,480.00	[●]
Reserve and surplus - as restated	725.28	[●]
Total shareholders' funds	2,205.28	[●]
Total debt / shareholders' funds	3.06	[●]
Long term debt / shareholders' funds	1.84	[●]

FINANCIAL INDEBTEDNESS

In terms of the Articles of Association of the Company, the Board is authorized to accept deposits from members either in advance of calls or otherwise, and generally accept deposits, raise loans or borrow or secure the payment of any sum of moneys to be borrowed together with the moneys already borrowed including acceptance of deposits apart from temporary loans obtained from the Banks / Financial Institution in the ordinary course of business, exceeding the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) or up to such amount subject to members approval from time to time.

Our Company has obtained the necessary consents required under the relevant loan documentation with banks and financial institutions for undertaking activities wherever applicable. As on December 31, 2023 our Company has total outstanding borrowings aggregating to ₹ 6,739.19 lakhs.

Nature of Loan	Name of Lender	Sanctioned Amount	Outstanding as on December 31, 2023	% of Total Loan Outstanding	Rate of Interest	Tenure of loan	Security and Guarantor, if any	Personal
Secured Loans								
Business Loan	Citizen Credit Bank	600.00	604.71*	8.97%	9.25%	Repayable on demand	Current Assets of Company, Directors property at 446 & 447th, 4th Floor, Shah and Nahar Industrial Estate, Lower Parel & Personal Property at 1104, Lodha Supremus, Dr. E Moses Road, Worli, Mumbai	
Car Loan	IDFC First Bank	200.00	171.81	2.55%	12.85% p.a.	58 Monthly Installments	Secured against motor car	
Business Loan	Hero Fincorp Ltd	251.00	199.08	3.52%	9% p.a.	180 Monthly Installments	Charge by Equitable Mortgage of Director's (Bhavin Jethwa) Personal property situated at 1104, Lodha Spremus, DR E Moses Road, Worli Naka, Worli, Mumbai	
Business Loan	Hero Fincorp Ltd	420.00	208.18	3.09%	9% p.a.	180 Monthly Installments		
Loan for Property Purchase for Director	HDB Financial Service Limited	962.50	905.90	13.44%	7.90% p.a.	180 Monthly Installments	Secured by Property of Director - Flat No. 801 / 802 8th Floor Sankalp CHSL Grant Road West, Mumbai	
Business Loan	Hdb Financial Service Limited	240.00	237.58	3.52%	Floating	120 Monthly Installments	Secured by Property of Director - Flat No. 801 / 802 8th Floor Sankalp CHSL Grant Road West, Mumbai	
Business Loan	Axis Bank Ltd	228.00	104.50	1.55%	9.25% p.a.	Repayable on demand	Current Assets of Company, Directors property at 446 & 447th, 4th Floor, Shah and Nahar Industrial Estate, Lower Parel & Personal Property at 1104, Lodha Supremus, Dr.E Moses Road, Worli, Mumbai	
Business Loan	Axis Bank Ltd	115.00	115.00	1.71%	9.25% p.a.	Repayable on demand	Current Assets of Company, Directors property at 446 & 447th, 4th Floor, Shah and Nahar Industrial Estate, Lower Parel & Personal Property at 1104, Lodha	

Nature of Loan	Name of Lender	Sanctioned Amount	Outstanding as on December 31, 2023	% of Total Loan Outstanding	Rate of Interest	Tenure of loan	Security and Guarantor, if any	Personal
							Supremus, Dr.E Moses Road, Worli, Mumbai	
Business Loan	Citizen Credit Bank	1,000.00	930.02	13.80%	8.50% p.a.	48 Monthly Installments	Current Assets of Company, Directors property at 446 & 447th, 4th Floor, Shah and Nahar Industrial Estate, Lower Parel & Personal Property at 1104, Lodha Supremus, Dr.E Moses Road, Worli, Mumbai	
Business Loan	Citizen Credit Bank	200.00	135.82	2.02%	9.25% p.a.	Repayable on demand	Current Assets of Company, Directors property at 446 & 447th, 4th Floor, Shah and Nahar Industrial Estate, Lower Parel & Personal Property at 1104, Lodha Supremus, Dr.E Moses Road, Worli, Mumbai	
Business Loan	State Bank Of India	540.00	364.23	5.40%	10.55% p.a.		Current Assets of Company, Directors property at 446 & 447th, 4th Floor, Shah and Nahar Industrial Estate, Lower Parel & Personal Property at 1104, Lodha Supremus, Dr.E Moses Road, Worli, Mumbai	
Business Loan	Axis Bank Ltd	840.00	796.41	11.25%	Repo+ 4%	Repayable on demand	Current Assets of Company, Directors property at 446 & 447th, 4th Floor, Shah and Nahar Industrial Estate, Lower Parel & Personal Property at 1104, Lodha Supremus, Dr.E Moses Road, Worli, Mumbai	
Business Loan	State Bank Of India	175.00	173.59*	2.58%	6.25% p.a.	Repayable on demand	Current Assets of Company, Directors property at 446 & 447th, 4th Floor, Shah and Nahar Industrial Estate, Lower Parel & Personal Property at 1104, Lodha Supremus, Dr.E Moses Road, Worli, Mumbai	
Total			4,946.83					
Unsecured Loans								
Business Loan	Tata Capital Financial Services Limited	35.35	18.87	0.28%	17 % p.a.	36 Monthly Installment	Unsecured	
Business Loan	Unity Small Finance	50.00	38.55	0.57%	17 % p.a.	36 Monthly Installments	Unsecured	

Nature of Loan	Name of Lender	Sanctioned Amount	Outstanding as on December 31, 2023	% of Total Loan Outstanding	Rate of Interest	Tenure of loan	Security and Guarantor, if any	Personal
Business Loan	Ugro Capital Limited	35.36	34.60	0.51%	Floating	36 Monthly Installments	Unsecured	
Term Loan	L And T Finance	35.00	34.04	0.51%	16.5% p.a.	36 Monthly Installments	Unsecured	
Business Loan	ICICI Bank	50.00	48.81	0.72%	15% p.a.	36 Monthly Installments	Unsecured	
Business Loan	Hero Fincorp Ltd	30.18	24.00	0.36%	17% p.a.	36 Monthly Installments	Unsecured	
Loan from Directors	Bhavin Jethwa	N/A	815.15	12.09%	-	Repayable on demand	Unsecured	
Loan from Directors	Janki Jethva	N/A	45.38	0.67%	-	Repayable on demand	Unsecured	
Loan from Directors	Kantilal Jethva	N/A	484.29	7.19%	-	Repayable on demand	Unsecured	
Business Loan	Federal Bank	30.30	28.80	0.43%	16.5% p.a.	18 Monthly Installments	Unsecured	
For the purchase of Motor Vehicle	Daimler Financial Services India Private Limited	100.00	48.87	0.73%	9% p.a.	60 Monthly Installments	Unsecured	
Business Loan	Credit Saison India	30.60	29.94	0.44%	16.5% p.a.	36 Monthly Installments	Unsecured	
Business Loan	Clix Capital Services Private Ltd	50.25	49.17	0.73%		36 Monthly Installments	Unsecured	
Business Loan	Axis Bank Ltd	84.00	84.80*	1.26%	12.00% p.a.	30 Days	Unsecured	
Business Loan	Icici Bank	8.00	7.88	0.12%	18.75% p.a.	Auto renewed every year	Unsecured	
Total			1,793.15*					
Grand Total			6,739.98*					

* Interest accrued and due but not paid as on 31st December, 2023

MANAGEMENT'S DISCUSSION & ANALYSIS OF FINANCIAL CONDITIONS & RESULTS OF OPERATIONS

You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in the Draft Red Herring Prospectus. You should also read the section entitled "Risk Factors" beginning on page 29 and "Forward Looking Statements" beginning on page 21, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations.

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for the year ended March 31, 2023 & March 31, 2022, March 31, 2021 and for the period ended December 31, 2023 including the schedules and notes thereto and the reports thereto, which appear in the section titled "Financial Information of our company" on Page 149 of the Draft Red Herring Prospectus. The financial statements presented and discussed herein have been prepared to comply in all material respects with the notified accounting standards by Companies (Accounting Standards) Rules, 2006 (as amended), the relevant provisions of the Companies Act and SEBI (Issue of Capital and Disclosure Requirements) Regulations. Our fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal period are to the twelve-month period ended on March 31 of that year. The forward-looking statements contained in this discussion and analysis is subject to a variety of factors that could cause actual results to differ materially from those contemplated by such statements.

Overview

Our Company was incorporated as private limited Company under the name "Neelam Linens and Garments (India) Private Limited", under the provisions of the Companies Act, 1956 and Certificate of Incorporation was issued by the Registrar of Companies, Mumbai on September 22, 2010. The status of the Company was changed to public limited, and the name of our Company was changed to "Neelam Linens and Garments (India) Limited" vide Special Resolution dated August 12, 2022. The fresh certificate of Incorporation consequent to conversion was issued on September 01, 2022, by the Registrar of Companies, Mumbai. The Corporate Identity Number of our Company is U17299MH2010PLC208010.

We operate as a soft home furnishing company based out of Maharashtra, India, extending our services to a global clientele, including USA and Australia and Far East. We specialize in the processing, finishing and supplying of bedsheets, Pillow cover, Duvet Cover, Towels, Rugs, Doher, Shirts & Garments predominantly for discounted retail outlets. We source surplus or slightly imperfect fabric from the domestic market, applying value-added services such as dyeing, stitching, embroidery, and other enhancements. Subsequently, we distribute these refined products to discounted retail outlets in diverse countries.

We entered the apparel industry by starting an in-house production of men's and women's fashion apparel since 2023.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL:

In the opinion of the Board of Directors of our Company, since the date of the last audited period i.e., December 31, 2023, as disclosed in this draft red herring prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the trading or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.

Factors Affecting our Results of Operations

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "Risk Factors" beginning on page 29 of this Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

1. A reduction in the demand of the products in which we deal in and/or competing products gaining wider market acceptance;
2. Our ability to successfully implement our strategy, our growth and expansion, technological changes.
3. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
4. Changes in laws and regulations relating to the industries in which we operate;
5. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
6. Disruptions in the supply chain can lead to higher costs, reduced production, and lost sales;

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For details in respect of Statement of Significant Accounting Policies, please refer to Annexure IV of Restated Financial Statements under chapter titled "Restated Financial Statements" beginning on page 149 of this Draft Red Herring Prospectus.

RESULTS OF KEY OPERATION

The following table sets forth select financial data from our restated financial statement of profit and loss for the period ended December 31, 2023 and year ended March 31, 2023, March 31, 2022 and March 31, 2021 the components of which are also expressed as a percentage of total revenue for such period and financial period.

Particulars	For the period ended							
	December 31, 2023	% of Total Income	March 31, 2023	% of Total Income	March 31, 2022	% of Total Income	March 31, 2021	% of Total Income
Revenue from Operations	5922.12	97.43	10,356.30	98.25	10,152.67	97.81	7,819.71	97.53
Other Income	156.06	2.57	184.82	1.75	227.02	2.19	198.1	2.47
Total Income (A)	6078.18	100.00	10,541.13	100	10,379.69	100	8,017.82	100
EXPENDITURE								
Cost of Material Consumed	5227.86	86.01	9,125.85	86.57	8,815.09	84.93	7,182.98	89.59
Employee benefits expense	38.27	0.63	48.86	0.46	47.80	0.46	46.14	0.58
Finance Costs	414.06	6.81	446.17	4.23	303.55	2.92	256.77	3.2
Depreciation and amortization expense	121.12	1.99	61.43	0.58	127.4	1.23	99.81	1.24
Other expenses	153.62	2.53	529.08	5.02	696.16	6.71	404.22	5.04
Total Expenses (B)	5954.94	97.97	10,211.39	96.87	9,990.00	96.25	7,989.92	99.65
Profit before Exceptional Items(A-B)	123.24	2.03	329.74	3.13	389.68	3.75	27.9	0.35
Exceptional Items	0.00	0.00	0	0	0	0	8.04	0.1
Profit Before Tax	123.24	2.03	329.74	3.13	389.68	3.75	35.94	0.45
Tax expense:								
(i) Current tax	27.10	0.45	75.03	0.71	95.13	0.92	27.31	0.34
(ii) Deferred tax	-6.85	-0.11	16.84	0.16	-4.02	-0.04	-32.89	-0.41
Total Tax Expense	20.25	0.33	91.86	0.87	91.11	0.88	-5.59	-0.07
Profit for the year	102.99	1.69	237.88	2.26	298.58	2.88	41.53	0.52

Key Components of Company's Profit and Loss Statement

Revenue from Sale of Product: Revenue from operations mainly consists of Sales of Products and licenses.

Expenses: Company's expenses consist of Cost of Raw material consumed, change in inventories of finished goods, WIP & stock in trade, employee benefit expenses, finance cost, depreciation and amortization expenses and other expenses.

Employee Benefits Expense: Employee benefit expense includes Director's Remuneration and Workers and Office staff salaries.

Finance Costs: Finance cost comprises interest on Indebtedness, Bank charges and Processing Charges Loan.

Depreciation and Amortization Expense: We recognize Depreciation and Amortization expense on a WDV Basis as per the rates set forth in the Companies Act, 2013.

Other Expenses: Other expenses includes Transport charges, Rates & Taxes, Advertisement Expenses, Electricity Expenses, Legal & Professional Expenses, etc.

REVIEW OF OPERATIONS FOR THE PERIOD ENDED DECEMBER 31, 2023

Revenue from Operations

Our revenue from operations for the period ended December 31, 2023 was Rs. 5,922.12 Lakhs, which is 97.43% of the total revenue, which includes revenue from sale of goods and sale of licenses.

Other Income

Our other income for the period ended December 31, 2023 was Rs. 156.06 Lakhs which is 2.57% of the total revenue, which includes duty drawback, unrealised and realised exchange gains and interest income.

Cost of Material Consumed

Our Cost of Material for the period ended December 31, 2023 was Rs. 5,227.86 Lakhs which was about 86.01% of the total revenue and which includes raw material consumed.

Employee Benefits expenses

The employee benefits expenses for the period ended December 31, 2023 was Rs. 38.27 Lakhs, which is 0.63% of the total revenue.

Finance Costs

Finance costs for the period ended December 31, 2023 were Rs. 414.06 Lakhs which was about 6.81% of the total revenue. The finance costs includes processing fees & pre closure charges, interest on loan and bank charges.

Depreciation and Amortisation Expense

Depreciation and amortization expenses for the period ended December 31, 2023 were Rs. 121.12 Lakhs which was about 1.99%.

Other Expenses

The other expenses for the period ended December 31, 2023 were Rs. 153.62 Lakhs which was about 2.53% of the total revenue and which includes Payment to commission expenses, Advertisement and business promotion, rent, rates & taxes, Freight, Clearing & Forwarding, insurance, transport, travelling, legal and other miscellaneous expenses.

EBITDA

Our EBITDA for the period ended December 31, 2023 were Rs. 658.43 Lakhs.

Profit /(Loss) after Tax

PAT for the period ended December 31, 2023 was Rs. 102.99 Lakhs.

Comparison of FY 2023 with FY 2022:**Revenue from Operations**

The Company's revenue from operations for the financial year 2022-23 was ₹ 10,356.30 lakhs. This represents a 2.01% increase compared to the previous financial year's revenue from operations of ₹ 10,152.67 lakhs. The increase is attributable to increase in sale of licenses by ₹ 2,325.80 lakhs and decrease in sale of goods by ₹ 2,122.17 lakhs.

Other Income

In the financial year 2022-23, the Other Income recorded an increase of ₹ 184.82 lakhs, as compared to ₹ 227.02 in financial year 2021-22. This was primarily due to decrease in duty drawback, profit on sale of asset and miscellaneous income.

Cost of Material Consumed

The Cost of Material Consumed increased to ₹ 9,125.85 lakhs in financial year 2022-23 from ₹ 8,815.09 lakhs in financial year 2021-22. This represents an increase of approximately ₹ 310.76 lakhs or 3.53% which is due to fluctuations in raw material prices.

Employee Benefits Expenses

The Employee benefit expenses increase by 2.17% to ₹ 48.86 lakhs in the Financial Year 2022-23 against that of ₹ 47.80 lakhs in Financial Year 2021-22. The increase in employee expenses was on account increase in salary and wages by ₹ 22.14 lakhs and decrease in director remuneration by ₹ 14.53 lakhs and decrease in staff welfare by ₹ 6.55 lakhs.

Finance Cost

The Finance cost increased to ₹ 446.17 lakhs in the Financial Year 2022-23 against that of ₹ 303.55 lakhs in Financial Year 2021-22. The increase of the finance charges is on account increase in interest expenses by ₹ 72.38 lakhs, increase in processing charges & pre-closure charges by ₹ 42.72 lakhs and increase in bank charges by ₹ 27.52 lakhs in the FY 2022-23 as compared to FY 2021-22 as a result of increase in long term borrowings.

Depreciation and Amortisation Expenses

The Depreciation and Amortisation expenses decrease by ₹ 65.97 lakhs to ₹ 61.43 lakhs in the financial year 2022-23 against that of ₹ 127.40 lakhs in financial year 2021-22. The decrease in depreciation was due to decrease in asset value of motor car and the addition of new assets in year end.

Other Expenses

The Other expenses decreased by 24% to ₹ 529.08 lakhs in the financial year 2022-23 as against that of ₹ 696.16 lakhs in financial year 2021-22. The other expenses decrease was mainly on account of decrease in commission & brokerage expenses by ₹ 23.65 lakhs, conveyance charges by ₹ 22.35 lakhs, other expenses by ₹ 35.58 lakhs, freight, clearing & forwarding by ₹ 164.90 lakhs.

EBDITA

The EBITDA for financial year 2022-23 was ₹ 652.52 lakhs as compared to ₹ 593.61 lakhs for financial year 2021-22. The EBITDA was 6.30% of revenue from operations in financial year 2022-23 as compared to 5.85% in financial year 2021-22. The EBITDA increased in financial year 2022-23 compared to financial year 2021-22 on account of decrease in other expenses.

Profit after Tax (PAT)

PAT is ₹ 237.88 lakhs for the financial year 2022-23 compared to ₹ 298.58 lakhs in financial year 2021-22. The PAT was 2.30% of revenue from operations in financial year 2022-23 compared to 2.94% of revenue from operations in F.Y. 2021-22. The profit is decreased on account of increase in finance cost.

Comparison of FY 2022 with FY 2021:

Revenue from Operations

The Company's revenue from operations for the financial year 2021-22 was ₹ 10,152.67 lakhs. This represents a 29.83% increase compared to the previous financial year's revenue from operations of ₹ 7,819.71 lakhs. The increase is attributable to increase in sale of licenses by ₹ 660.10 lakhs and sale of goods by ₹ 1,672.85 lakhs.

Other Income

In the financial year 2021-22, the Other Income recorded an increase of ₹ 227.02 lakhs, as compared to ₹ 198.10 in financial year 2020-21. The net increase was primarily due to an increase in Foreign exchange gain, profit on sale of fixed assets & miscellaneous income and decrease in duty drawback, interest income.

Cost of Material Consumed

The Cost of Material Consumed increased to ₹ 8,815.09 lakhs in financial year 2021-22 from ₹ 7,182.98 lakhs in financial year 2020-21. This represents an increase of ₹ 1,632.11 lakhs which is due increase in sales by ₹ 2332.95 lakhs.

Employee Benefits Expenses

The Employee benefit expenses increase by 3.60% to ₹ 47.80 lakhs in the Financial Year 2021-22 against that of ₹ 46.14 lakhs in Financial Year 2020-21. The increase in employee expenses was on account increase in salary and wages by ₹ 1.78 lakhs.

Finance Cost

The Finance cost increased to ₹ 303.55 lakhs in the Financial Year 2021-22 against that of ₹ 256.77 lakhs in Financial Year 2020-21. The increase of the finance charges is on account increase in interest expenses by ₹ 78.97 lakhs and processing fees & pre-closure charges by ₹ 7.20 lakhs.

Depreciation and Amortisation Expenses

The Depreciation and Amortisation expenses increased by ₹ 27.60 lakhs to ₹ 127.40 lakhs in the financial year 2021-22 against that of ₹ 99.81 lakhs in financial year 2020-21. The increase in depreciation was due to increase in depreciation of motor car.

Other Expenses

The Other expenses increased by 72.22% to ₹ 696.16 lakhs in the financial year 2021-22 as against that of ₹ 404.22 lakhs in financial year 2020-21. The other expenses increase was mainly on account of increase in commission & brokerage expenses by ₹ 8.08 lakhs, courier & conveyance charges by ₹ 6.98 lakhs, legal & professional expenses by ₹ 20.28 lakhs, freight, clearing & forwarding by ₹ 262.56 lakhs.

EBDITA

The EBITDA for financial year 2021-22 was ₹ 593.61 lakhs as compared to ₹ 186.38 lakhs for financial year 2020-21. The EBITDA was 5.85% of revenue from operations in financial year 2021-22 as compared to 2.38% in financial year 2020-21. The EBITDA increased in financial year 2021-22 compared to financial year 2020-21 on account of increase in revenue from operations and lower cost of materials consumed as a percentage of revenue from operations.

Profit after Tax (PAT)

PAT is ₹ 298.58 lakhs for the financial year 2021-22 compared to ₹ 41.53 lakhs in financial year 2020-21. The PAT was 2.94% of revenue from operations in financial year 2021-22 compared to 0.53% of revenue from operations in F.Y. 2020-21. The profit was increased mainly on account of increase in sales.

Cash Flows

Particulars	(₹ in lakhs)			
	For the period ended December 31, 2023	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2021
Net Cash from Operating Activities	179.88	(1,112.49)	582.15	1,972.50
Net Cash from Investing Activities	111.52	(290.41)	(78.86)	(716.68)
Net Cash used in Financing Activities	(208.90)	1,373.64	(452.55)	(2,291.28)

Cash Flows from Operating Activities

Net cash from operating activities for the period ended on December 31, 2023 was 179.88 lakhs as a result of increase in trade payables and other current liabilities which resulted in less outflow.

Net cash from operating activities for year ended on March 31, 2023 was at ₹ (1,112.49) lakhs as compared to the Profit After Tax at ₹ 237.88 lakhs, while Net cash from operating activities for period ended on March 31, 2022 was at ₹ 582.15 lakhs as compared to Profit After Tax at ₹ 298.58 lakhs. The difference in net operating cashflows was mainly due to loans and advances given in FY 2022-23 and decrease in trade payables which resulted in higher cash outflow.

Net cash from operating activities for period ended on March 31, 2022 was at ₹ 582.15 lakhs as compared to the Profit After Tax at ₹ 298.58 lakhs, while Net cash from operating activities for period ended on March 31, 2021 was at ₹ 1,972.50 lakhs as compared to Profit After Tax at ₹ 41.53 lakhs. The difference in net operating cashflows was mainly due to increase in trade receivables and increase in inventories which resulted in higher cash outflow.

Cash Flows from Investment Activities

In Period ended on December 31, 2023, the net cash invested in Investing Activities was ₹ 111.52 lakhs on account of decrease in deposit and interest income. In year ended March 31, 2023, the net cash invested in Investing Activities was ₹ (290.41) lakhs. This was mainly on account of purchase of fixed assets. In the period ended March 31, 2022, the net cash from investing activities was ₹ (78.86) lakhs, on account of purchase of fixed asset and increase in deposit and for Year ended March 31, 2021, the net cash from investing activities was ₹ (716.68) lakhs, on account of purchase of fixed asset and increase in deposit.

Cash Flows from Financing Activities

In Period ended on December 31, 2023, the net cash from financing activities was ₹ (208.90) lakhs. This was on account of the finance cost paid. In Period ended on March 31, 2023, the net cash from financing activities was ₹ 1,373.64 lakhs. This was on account of proceeds from issuance of Equity Shares capital and increase in long term and short term borrowings. In the period ended March 31, 2022, the net cash from financing activities was ₹ (452.55) lakhs on account of finance costs paid and decrease in short term borrowings and for year ended March 31, 2021, the net cash from financing activities was ₹ (2,291.28) lakhs on account of decrease in short term borrowings.

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

Except as described in this Draft Red Herring Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

Other than as described in the section titled “*Risk Factors*” beginning on page 29 of this Draft Red Herring Prospectus, to our knowledge there are no known significant economic changes that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Apart from the risks as disclosed under Section “*Risk Factors*” beginning on page 29 in the Draft 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

Our Company’s future costs and revenues will be determined by demand supply situation, Government Policies and growth of industry in which we operate.

5. Income and Sales on account of main activities.

Income and sales of our Company on account of major activities derives from Sale of goods and Sale of Licenses.

6. Status of any publicly announced New Product or Business Segment

Our Company has not announced any new Product other than disclosed in the Draft Red Herring Prospectus.

7. Seasonality of business

Our Company is engaged in the business of textile and business of our company is not seasonal in nature and demand and supply of our products are market driven.

8. *Dependence on few customers/ clients*

Revenues from any particular client may vary between financial reporting periods depending on the nature and term of on-going contracts with such client. However, historically certain key clients have accounted for a significant proportion of our revenues in the period December 31, 2023, March 31, 2023, March 31, 2022 and March 31, 2021 of our top ten customers contributed 97.23%, 97.08%, 93.24% and 93.48% respectively of the revenue while our largest customer contributed 42.41%, 35.96%, 38.70% and 32.21% respectively of our revenue of that period.

9. *Competitive conditions*

Competitive conditions are as described under the Chapters “*Industry Overview*” and “*Our Business*” beginning on pages 93 and 101, respectively of the Draft Red Herring Prospectus.

10. *Details of material developments after the date of last balance sheet i.e. December 31, 2023*

There have been no material developments occurred after the date of last Balance sheet i.e. December 31, 2023.

SECTION VII – LEGAL AND OTHER INFORMATION OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding, (i) criminal proceedings; (ii) actions taken by statutory or regulatory authorities; (iii) claims related to direct or indirect taxes; or (iv) other material litigation as per the Materiality Policy, in each case involving our Company, Promoters, Directors or Group Companies (collectively, the “Relevant Parties”). Further, there are no (v) disciplinary actions including penalties imposed by SEBI or stock exchanges against our Promoters in the last five Financial Years including any outstanding action.

In accordance with the Materiality Policy, all outstanding litigation involving the Relevant Parties, other than (i) criminal litigation, (ii) tax matters, (iii) statutory and regulatory actions, and (iv) disciplinary actions by SEBI or Stock Exchanges in the last five years against Promoters, would be considered ‘material’, if the monetary amount of claim made by or against the Relevant Party in any such outstanding litigation is in excess of 10% of Profit After Tax as per the last audited Financial statements or where the monetary liability is not quantifiable, if the outcome of any such pending litigation may have a bearing on the business, operations, performance, prospects or reputation of our Company (as determined by our Company).

Further, there are no: (i) disciplinary actions (including penalties) imposed by SEBI or a recognized Stock Exchanges against our Promoters in the last five Financial Years immediately preceding the date of this Draft Red Herring Prospectus, including any outstanding action.

It is clarified that for the purposes of the Materiality Policy, pre-litigation notices (other than those issued by governmental, statutory or regulatory, judicial authorities) received by the Relevant Parties shall in any event not be considered as litigation until such time that Relevant Parties are made a party to proceedings initiated before any court, tribunal or governmental, statutory authority or any judicial authority, or is notified by any governmental, statutory or regulatory or any judicial authority of any such proceeding that may be commenced.

Except as stated in this section, there are no outstanding material dues to creditors of our Company. In terms of the Materiality Policy, our Board, at its meeting held on December 28, 2023 has determined ‘Material Dues’ as outstanding dues to any creditors of our Company if the amount due to any one of them (‘Material Creditor’) exceeds 15% of the trade payables of the Company as per the last audited Financial Statements of the Company. The trade payables of our Company, as per the Last audited Financial Statements for period ended December 31, 2023 is ₹ 1,967.61 Lakhs and accordingly, any outstanding dues exceeding 15% have been considered as material outstanding dues for the purposes of disclosure in this section. Details of Material Dues to creditors as required under the SEBI ICDR Regulations have been disclosed on our website at [https:// http://neelamgarments.com](https://http://neelamgarments.com) Further, for outstanding dues to any party which is a micro, small or a medium enterprise (“MSME”), the disclosure will be based on information available with our Company regarding status of the creditor as defined under section 2 of the Micro, Small and Medium Enterprises Development Act, 2006, as amended, as has been relied upon by the Statutory Auditors.

All terms defined in a particular litigation disclosure pertain to that litigation only. Unless stated to the contrary, the information provided below is as of date of this Draft Red Herring Prospectus.

LITIGATION INVOLVING OUR COMPANY

1. Litigation against our Company:

a. Litigation involving Criminal proceedings:

As of date of this Draft Red Herring Prospectus, there are no outstanding criminal proceedings initiated against our company than disclosed below:

- I. Original Application (L) No. 241/21 has been filed by Kotak Mahindra Bank Limited (Applicant) against our Company, with Additional Party Bhavin Kantilal Jethwa, Janki Jethva, Kantilal Jivaram Jethwa (defendants) in the Debts Recovery Tribunal – I at Mumbai.

An application under section 19 of the Recovery of Debt due to Bank and Financial Institution Act, 1993 was filed against our Company wherein the Applicant had identified during the reconciliation process (*after the merger of the said ING Vysya Bank Ltd with the Applicant herein where applicant agreed to renew the credit policy granted by ING Vysya Bank Ltd*), that the duplication of credit entry towards the Inward Remittance against the Defendant no. 1 being Company against the export bill reference no 550FDBC3111609/15 and the said facts were called upon to provide requisite funds INR equivalent to USD 100858.50 through RTGS / NEFT in the accounts

maintained by the Applicant in the name of the Defendant No. 1 so as to enable the Applicant to recover the excess credit pass unto the Defendant No. 1. However, as on January 28, 2021, an amount of INR 1,11,80,414.29 is outstanding against Defendant Nos. 1 to 5 in respect of said duplication of credit given in respect of said inward remittance of USD 100858.50 (as per Disposal and instructions during the course of business) equivalent to INR 63,26,029/- with an exchange rate of 63.7051 which the Applicant is entitled to recover the same with interest at the commercial rate @18% p.a till date of such remittance made till payment and or realization and that the applicant states that an amount aggregating to INR 1,11,87,923.30 (Rupees One Crore Eleven Lakhs Eighty Seven Thousand Nine Hundred Twenty Three and paise thirty only) remains due and payable by the Defendants to the Applicant as on January 31, 2021 which the Applicant is entitled to recover the same with further interest thereon at the contractual rate with monthly rests till the date of payment and or realization.

Further, our Company has responded to the Interim Application No. 361 of 2021 in Original Application No. 241 of 2021 stating that the original application and interim application as framed is not maintainable as they are bad in law and liable to be dismissed with costs. Further, the recovery of alleged duplication of credit entry is false and has never received alleged amount in their account. The Applicant bank had also after through diligence and confirmation from all the departments issued No Dues Certificate dated July 20, 2016 confirming that we have mad full and final repayment of financial facilities namely FBD, EPC, PCFC, CC and is estopped from revoking the same and claiming any amount. The Defendant claims that application is completely baseless and request the Hon'ble Tribunal to dispose of the Application.

The application is still pending before the Hon'ble Tribunal and the next date of hearing for the aforesaid matter is June 05, 2024.

b. Litigation involving Material Civil proceedings:

As on the date of this Draft Red Herring Prospectus, there are no material civil proceedings against our Company.

c. Outstanding actions by Statutory / Regulatory Authorities:

As on the date of this Draft Red Herring Prospectus, there are no actions taken by regulatory and statutory authorities against our Company.

2. Litigation filed by our Company:

a. Litigation involving Criminal proceedings:

As on the date of this Draft Red Herring Prospectus, no criminal proceedings have been initiated by our Company.

b. Litigation involving Material Civil proceedings:

As on the date of this Draft Red Herring Prospectus, no material civil proceedings have been initiated by our Company.

A. LITIGATION INVOLVING OUR DIRECTORS (other than individual promoters)

1. Litigation against our Directors:

a. Criminal Proceedings:

As on the date of this Draft Red Herring Prospectus, there are no criminal proceedings against our directors except the case mentioned above.

b. Material Civil Proceedings:

As on the date of this Draft Red Herring Prospectus, there are no material civil proceedings against our directors.

c. Outstanding actions by Statutory / Regulatory Authorities:

As on the date of this Draft Red Herring Prospectus, there are no actions taken by regulatory and statutory authorities against our Directors.

2. Litigation filed by our directors:

a Criminal Proceedings:

As on the date of this Draft Red Herring Prospectus, there are no criminal proceedings that have been initiated by our directors.

b Material Civil Proceedings:

As on the date of this Draft Red Herring Prospectus, there are no material civil Proceedings initiated by our directors.

B. LITIGATION INVOLVING OUR PROMOTERS

1. Litigation against our Promoters:

a. Criminal Proceedings:

As on the date of this Draft Red Herring Prospectus, there are no criminal proceedings against our Promoters.

b. Material Civil Proceedings:

As on the date of this Draft Red Herring Prospectus, there are no actions taken by regulatory and statutory authorities against our Promoters.

c. Outstanding actions by Statutory / Regulatory Authorities:

As on the date of this Draft Red Herring Prospectus, there are no actions taken by regulatory and statutory authorities against our Promoters.

2. Litigation filed by our Promoters:

a. Criminal Proceedings:

As on the date of this Draft Red Herring Prospectus, no criminal proceedings have been initiated by our Promoters.

b. Material Civil Proceedings:

As on the date of this Draft Red Herring Prospectus, no material civil proceedings have been initiated our Promoters.

C. LITIGATION INVOLVING GROUP COMPANIES

1. Litigation against our Group Company:

a. Criminal Proceedings:

As on the date of this Draft Red Herring Prospectus, there are no criminal proceedings against our Promoters.

b. Material Civil Proceedings:

As on the date of this Draft Red Herring Prospectus, there are no actions taken by regulatory and statutory authorities against our Promoters.

c. Outstanding actions by Statutory / Regulatory Authorities:

As on the date of this Draft Red Herring Prospectus, there are no actions taken by regulatory and statutory authorities against our Promoters.

2. Litigation filed by our Group Company:

a. Criminal Proceedings:

As on the date of this Draft Red Herring Prospectus, no criminal proceedings have been initiated by our Group Company.

b. Material Civil Proceedings:

As on the date of this Draft Red Herring Prospectus, no material civil proceedings have been initiated by our Group Company.

c. Tax proceedings against our Company, Group Companies, Promoters and Directors.

Except as disclosed below, there are no claims related to direct and indirect taxes, involving our Company, Directors, Promoters or Group Companies:

Nature of Proceedings	Number of cases	*Amount involved (in ₹)
Our Company		
Direct tax	6	9,66,84,595
Indirect tax	2	5,84,42,530
Group Companies		
Direct tax	-	-
Indirect tax	-	-
Directors		
Direct tax	8	1,89,52,282
Indirect tax	-	-
Promoters		
Direct tax	5	1,89,51,442
Indirect tax	-	-

*Details are as under:

Neelam Linens & Garments (India) Limited

Outstanding demand pertains to the AY	Demand raised under section	Demand Reference No.	Demand raised Date	Amount in
2016	143(1)(a)	2017201637046319400C	August 18, 2017	Demand 4,06,950
2017	143(3)	2019201737088813921C	December 29, 2019	Demand 4,12,01,548 Accrued interest 1,17,40,879
2018	143(3)	2020201837026497741C	March 10, 2021	Demand 3,03,0150
2019	143(1)(a)	2020201937003771612C	May 18, 2020	Demand 18,04,850
2020	143(1)(a)	2021202037030301244C	December 23, 2021	Demand 1,64,62,350 Accrued interest 47,74,067
2022	154	2023202237220863772C	November 30, 2023	Demand 1,52,77,700 Accrued Interest 19,86,101

As per the information available on the portal of Goods and Service Tax, Government of India has issued few intimations notices against the company:

(Amount in ₹)

Sr.no	Demand Date	Demand ID	Integrated Tax	Central Tax	State/UT Tax	Total
1	February 11, 2022	ZD2702220485994	1,75,732	639	639	1,77,010
2	April 30, 2024	ZD2704240685010H	11,54,938	2,85,55,291	2,85,55,291	5,82,65,520

1. The Department of Goods and Services Tax (Government of Maharashtra) Deputy Commissioner of State Tax Mumbai Division has passed an order u/s 20 of IGST ACT read with section 50 (1) of CGST/MGSTACT, 2017 dated 11/02/2022 via Reference No.: ZD2702220485994 for Interest on account of Late filing of GSTR-3B for Tax period/Financial year 2019-20 issued to our Company.

The Department have demanded the interest, wherein worked out and levied u/s 50(1) of GST Act, 2017 and directed to make the payment within a period of three months failing to which proceedings shall be initiated against Company to recover the outstanding dues:

<i>(Amount in ₹)</i>				
Year	IGST	CGST	SGST	Total
2019-20	1,75,732	639	639	1,77,010

2. The Office of Deputy Commissioner of State Tax Mumbai Division issued a show cause notice bearing reference number ZD2704240685010H vide dated 30/04/2024 u/s Section 73 (9) of CGST/SGST Act, 2017 read with Rule 142(5) of CGST/SGST Rules, 2017 dated 30/04/2024, directing to make the payment by 29/07/2024 failing which proceedings shall be initiated against Company to recover the outstanding dues:

<i>(Amount in ₹)</i>					
Tax Period	Act	Tax	Interest	Penalty	Total
April 2018-March 2019	IGST / CGST SGST	2,62,65,835	2,92,99,023	27,00,662	5,82,65,520

II Bhavin Jethwa

Outstanding demand pertains to the AY	Demand raised under section	Demand Reference No.	Demand raised Date	Outstanding amount
2011	143(3)	2013201110018751236T	March 11, 2014	Demand Amount 23,830 Accrued Interest 1,22,404
2013	143(3)	2015201310011506271T	March 26, 2016	Demand Amount 21,790 Accrued Interest 25,389
2016	143(3)	2018201637046661662T	December 27, 2018	Demand Amount 3,710 Accrued Interest 3,108
2018	143(3)	2020201837025452532T	February 15, 2021	Demand Amount 1,44,40,780 Accrued Interest 37,54,582
2019	143(1)(a)	2019201937120246011T	March 16, 2020	Demand Amount 4,05,740 Accrued Interest 1,50,109

D. OUTSTANDING DUES TO CREDITORS OF OUR COMPANY

As per the Materiality Policy, the Board deems all creditors above **15%** of the trade payables of the Company as per the last audited financial statements. As of December 31, 2023, our Company owes the following amounts to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), Material Creditors and other creditors:

Types of creditors	Number of Creditors	Amount Outstanding (₹ In Lacs)
Micro, Small and Medium Enterprises	8	35.77
Other creditors (including material creditor)	129	1,931.84
Total	137	1,967.61

For further details please refer to the chapter titled “*Financial Information*” beginning on page 149 of this Draft Red Herring Prospectus.

E. DISCLOSURES PERTAINING TO WILFUL DEFAULTERS

Neither our Company, our Promoters nor our Directors are or have been classified as a wilful defaulter or fraudulent borrower by a bank or financial institution or a consortium thereof in accordance with the guidelines on wilful defaulters issued by RBI.

F. MATERIAL DEVELOPMENTS SINCE THE DATE OF THE LAST AUDITED ACCOUNTS:

To our knowledge no circumstances have arisen since the date of the latest audited financials disclosed in this Draft Red Herring Prospectus which may materially and adversely affect or are likely to affect our operations, performance, prospects or profitability, or the value of our assets or our ability to pay material liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

Our business requires various approvals, licenses, registrations and permits issued by relevant Central and State regulatory authorities under various rules and regulations. For details, please refer to the chapter titled “*Key Industry Regulations and Policies*” beginning on page 114 of this Draft Red Herring Prospectus.

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. In view of the approvals listed below, we can undertake the Issue and our current/ proposed business activities and no further major approvals from any governmental /regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of the Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.

The main objects clause of the Memorandum of Association of the Company and the objects incidental, enable our Company to carry out its activities. Our Company is engaged in business of processing, re-processing, converting, researching, developing, preparing, dyeing, producing, developing, manufacturing, trading, agents, supplies, wholesaler, retailing, formulating, acquiring, dealing in, buying, selling, storing, importing & exporting all kinds of Textiles, textile products, Garments, Garments Products, yarns, suiting, shirting, cotton yarn, spun, synthetic, polyester, dyed yarn, combed, gassed & mercerized yarn, silk, wool, knitted fabric, fibres, dyes, cloth, garments, readymade garments, cushions, pillows, mattresses, canvas, terry towels, terry products, bath robes, terry cloth, shearing cloth and derivatives, rugs, by-products, intermediates and mixtures thereof which require various approvals and / or licenses under various laws, rules and regulations.

The Company has got following licenses/registrations/approvals/consents/permissions from the Government and various other Government agencies required for its present business.

I. APPROVALS FOR THE ISSUE

The following approvals have been obtained or will be obtained in connection with the issue:

1. Our Board of Directors have, pursuant to a resolution passed in its meeting held on March 22, 2024 authorized the Issue subject to approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013
2. The shareholders of our Company have, pursuant to a special resolution passed in the Extraordinary general meeting of our Company held on April 13, 2024 authorized the Offer under Section 62(1)(c) of the Companies Act, 2013;
3. Our Company has obtained in-principle approval from the stock exchange for the listing of our Equity Shares pursuant to letter dated [●] bearing reference no. [●].

II. CORPORATE APPROVALS

- a. Certificate of Incorporation dated September 22, 2010 issued to our Company by the Registrar of Companies, Mumbai in the name of the “*Neelam Linens and Garments (India) Private Limited.*”
- b. Fresh Certificate of Incorporation dated September 01, 2022 issued pursuant to conversion from Private Company to Public Company to “*Neelam Linens and Garments (India) Limited*” by the Registrar of Companies, Mumbai.

III. AGREEMENTS WITH NSDL AND CDSL

- a. The Company has entered into an agreement dated August 22, 2022 with the Central Depositories Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case Purva Sharegistry (India) Private Limited for the dematerialization of its shares.
- b. The Company has entered into an agreement dated August 22, 2022 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Purva Sharegistry (India)Private Limited for the dematerialization of its shares.
- c. The Company’s International Securities Identification Number (“ISIN”) is INE0N1401016.

IV. TAX RELATED APPROVALS

Sr. No.	Description	Authority	Registration No. /License No./ Certificate No.	Date of Issue	Date of Expiry
1.	Permanent Account Number (PAN)	Income Tax Department, Government of India	AADCN4114G	December 08, 2022	Valid until cancel
2.	Tax Deduction Account Number	Income Tax Department Government of India	MUMN18962G	January 12, 2024	Valid until cancel
3.	GST Registration Certificate	Government of India	27AADCN4114G1ZR	May 25, 2023	Not Applicable
4.	Importer -Exporter Code	Ministry of Commerce and Industry, Directorate General of Foreign Trade	0305008897	May 05, 2005 (May 30, 2023 Last Modified Date)	Not Applicable
5.	PTEC FORM I-A Certificate of Registration	Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975	27050920984P	March 26, 2024	Not Applicable

V. BUSINESS AND LABOUR RELATED APPROVALS/ REGISTRATION/ CERTIFICATES


Our Company requires various other approvals to carry on our business in India. Some of these may expire in the ordinary course of business and applications for renewal of these approvals will be submitted in accordance with applicable procedures and requirements as and when required.

Sr. No	Description	Authority	Registration No. /License No./ Certificate No.	Date of Issue	Date of Expiry
1.	Legal Entity Identifier Certificate	Rapid LEI	335800POTZ3MYLZOHT93	-	May 16, 2025
2.	IMC COO Code	Indian Merchants' Chamber	IMC16437	March 14, 2024	Not Applicable
3.	Udyam Registration Certificate	Ministry of Micro, Small and Medium Enterprises	UDYAM-MH-19-0026118	December 09, 2020	Not Applicable
4.	Provident Fund Code*	Employees Provident Fund Organization	THTHA0200970000	September 05, 2014	-
5.	Registration- Cum- Membership Certificate *	The Cotton Textiles Export Promotion Council	MM/34011(2019)-N	May 07, 2019	March 31, 2024
6.	Employees' State Insurance Code*	Employees' State Insurance Corporation	34000043650000108		
7.	Certificate of Recognition for One Star Export House	Ministry of Commerce & Industry, Directorate General of Foreign Trade	MUMSTATAPPLY00004295AM24	January 16, 2024	March 31, 2028
8.	Registration for Self Sealing for export of goods in container under e-sealing procedure	Office for the Commissioner of Customs (General)	S/6-Gen-Self Sealing-3428/23-24EXP-FSP/2954	February 28, 2024	December 12, 2028
9.	Maharashtra Shop & Establishment	Maharashtra Shop & Establishment (Regulation of Employment and Condition of Service) Act, 2017	890799524`	December 04, 2023	Not Applicable
10.	Maharashtra Labour Welfare Board	Welfare Commissioner Maharashtra Labour Welfare Board	MUMUMN001055	March 06, 2024	Not Applicable

* The Certificate is in the name of *Neelam Linens and Garments (India) Private Limited* and the Company have applied to respective department for change in Name to *Neelam Linens and Garments (India) Limited*.

VI. INTELLECTUAL PROPERTY APPROVAL

As on the date of this Draft Red Herring Prospectus, the Company has the following Trademark pending applications:

Sr. No	Brand Name/ Logo Trademark	Class	Nature of Trademark	Applicant	Application No. & Date	Status
1.		24	DEVICE	Neelam Linens and Garments (India) Limited	5702222 November 29, 2022	Accepted And Advertised

VII. KEY APPROVALS THAT HAVE EXPIRED AND FOR WHICH RENEWAL APPLICATIONS HAVE BEEN MADE:

There are no such key approvals which have expired and for which renewal applications have been made as on the date of this Draft Red Herring Prospectus.

VIII. KEY APPROVALS APPLIED FOR BY OUR COMPANY BUT NOT RECEIVED

There are no such key approvals applied for by our but not received as on the date of this Draft Red Herring Prospectus

Sr. No	Description	Authority	Registration No. /License No./ Certificate No./Application Number	Date of Application
1	Registration- Cum- Membership Certificate	The Cotton Textiles Export Promotion Council	RPMCREMECTEPC00029630AM25 (Ref No.)	May 15, 2024

As mentioned above in the point no. V above- Provident Fund Code and Employees' State Insurance Code, the Certificate is in the name of *Neelam Linens and Garments (India) Private Limited* and the Company have applied to respective department for change in Name to *Neelam Linens and Garments (India) Limited*.

IX. KEY APPROVALS REQUIRED BUT NOT OBTAINED OR APPLIED FOR BY OUR COMPANY

There are no such key approvals required but not obtained or applied for as on the date of this Draft Red Herring Prospectus.

SECTION VIII-OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Corporate Approvals

The Issue has been authorized by our Board of Directors pursuant to the resolution passed at its meeting dated March 22, 2024, and the Issue has been authorised by our Shareholders pursuant to a special resolution passed at their EGM dated April 13, 2024 authorised the Issue under Section 62(1)(c) of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary. This DRHP has been approved by our Board for filing with the Stock Exchange pursuant to the resolution passed at its meeting held on May 24, 2024. For further details, see “*Terms of The Issue*” on page 181.

In-principle Listing Approvals

We have received in principle approval from National Stock Exchange of India Limited vide their letter dated [●] to use the name of National Stock Exchange of India Limited in the Draft Red Herring Prospectus for listing of our Equity Shares on EMERGE Platform of National Stock Exchange of India Limited. National Stock Exchange of India Limited is the Designated Stock Exchange for the purpose of this Issue.

Prohibition by SEBI or Governmental Authorities

Our Company, Promoters, members of the Promoter Group, Directors or persons in control of the Promoters or the Company are not prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any other jurisdiction or any other authority/court on the date of this Draft Red Herring Prospectus.

Prohibition By RBI

Neither our Company nor our Promoters or Directors have been identified as a willful defaulter or Fraudulent Borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.

None of our Company, Promoters or Directors have been declared as a fraudulent borrower by any bank, financial institution or lending consortium, in accordance with the ‘Master Directions on Fraud-Classification and Reporting by commercial banks and select FIs’ dated July 1, 2016, as updated, issued by the RBI.

Compliance under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, Promoters and members of the Promoter Group, severally and not jointly, confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, as amended, to the extent applicable, as on the date of this Draft Red Herring Prospectus. Further, in view of the General Circular No. 07/2018 dated September 06, 2018 and General Circular No. 08/2018 dated September 10, 2018 issued by the Ministry of Corporate Affairs, Government of India (“MCA”), our Company, our Promoters, our Promoter Group will ensure compliance with the SBO Rules, upon notification of the relevant forms, as may be applicable to them.

Directors associated with the Securities Market

None of our Directors are, in any manner, associated with the securities market. Further there has been no outstanding actions initiated by the SEBI against our Directors in the five years preceding the date of this Draft Red Herring Prospectus except as stated under the chapters titled “*Risk factors*”, “*Our Promoters and Promoter Group*” and “*Outstanding Litigations and Material Developments*” beginning on page 29, 126 and 162 respectively, of this Draft Red Herring Prospectus.

Eligibility for the Issue

Our Company is an “Unlisted Company” in terms of the SEBI (ICDR) Regulation; and this Issue is an “Initial Public Offer” in terms of the SEBI (ICDR) Regulations.

This Issue is being made in terms of Regulation 229 (2) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our Company whose post Issue face value capital will be more than ten crores rupees and up to twenty-five crore rupees, shall Issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”), in this case being the SME Platform of National Stock Exchange of India Limited i.e. NSE EMERGE.

As per Regulation 229(3) of the SEBI ICDR Regulations, our Company satisfies track record and/or other eligibility conditions of SME platform of the NSE in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations as below:

(a) The Issue should be a company incorporated under the Companies Act 1956/2013.

Our Company was incorporated on September 22, 2010 under the Companies Act, 1956.

(b) The post Issue paid up capital of the company (face value) shall not be more than ₹25.00 Crores.

The present paid-up capital of our Company is ₹ 14,80,00,000/- and we are proposing of up to 60,00,000 Equity Shares of ₹ 10/- each at issue price of ₹ [●] per equity share including share premium of ₹ [●] per equity share, aggregating to ₹ [●] Lakhs. Hence, our Post Issue Paid up Capital will be approximately ₹ 20,80,00,000/- which will be less than ₹ 25 Crore.

(c) Track Record

Our Company has a track record of three years as on date of filing of this Draft Red Herring Prospectus.

(d) Operating Profits from Operations and Net-worth

The Company has operating profit (earnings before depreciation and tax) from operations for at least 2 financial years preceding the application and its net worth is positive.

Our Company's net worth and Operating profits from operations (earnings before depreciation and tax), based on the Restated Financial Statements included in this Draft Red Herring Prospectus for the period ended December 31, 2023 and for the last three Fiscals ended March 31, 2023, 2022 and 2021 are set forth below:

From Restated Financial Statements

<i>Particulars</i>	(₹ in Lakhs)			
	<i>As at</i> <i>31.12.2023</i>	<i>As at</i> <i>31.03.2023</i>	<i>As at</i> <i>31.03.2022</i>	<i>As at</i> <i>31.03.2021</i>
<i>Operating profit (earning before interest, depreciation and tax excluding other income)</i>	502.37	652.52	593.62	186.37
<i>Share capital</i>	1,480.00	740.00	20.00	20.00
<i>Add: reserves & surplus</i>	725.28	1,362.30	1,448.42	1,149.84
<i>Net worth</i>	2,205.28	2,102.30	1,468.42	1,169.84

- (a) The Company has not been referred to the Board for Industrial and Financial Reconstruction.
- (b) No petition for winding up is admitted by the court or a liquidator has not been appointed of competent jurisdiction against the Company.
- (c) No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the company.
- (d) We ensure that none of the Merchant Bankers involved in the IPO should have instances of any of their IPO draft issue document filed with the Exchange being returned in the past 6 months from the date of application.
- (e) Our Company has a website: www.neelamgarments.com

Other Disclosures:

- a) We have disclosed all material regulatory or disciplinary action by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting Company(ies), companies promoted by the promoters/promoting Company(ies) of the applicant Company in the Draft Red Herring Prospectus.

- b) There are no Defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the applicant, promoters/promoting Company(ies), Company(ies), companies promoted by the promoters/promoting Company(ies) during the past three years. An auditor's certificate will be provided by the issuer to the exchange, in this regard.
- c) We have Disclosed the details of the applicant, Promoters/Promoting Company(ies), companies promoted by the promoters/promoting Company(ies) litigation record, the nature of litigation, and status of litigation, for details, please refer the chapter "*Outstanding Litigation & Material Developments*" on page 162 of this Draft Red Herring Prospectus.
- d) We have disclosed all details of the track record of the directors. For Details, refer the chapter "*Outstanding Litigation & Material Developments*" on page 162 of this Draft Red Herring Prospectus.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- The Draft Red Herring Prospectus has been filed with NSE and our Company has made an application to NSE for listing of its Equity Shares on the NSE EMERGE platform. NSE is the Designated Stock Exchange.
- To facilitate trading in demat securities; the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:
 - a. Tripartite agreement dated August 22, 2022, with NSDL, our Company and Registrar to the Issue;
 - b. Tripartite agreement dated August 22, 2022, with CDSL, our Company and Registrar to the Issue;
 - c. The Company's shares bear an ISIN: INE0N1401016
- The entire pre-Issue capital of our Company has fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
- The entire Equity Shares held by the Promoters will be in dematerialised form before opening of the Issue for subscription.
- The entire fund requirement is to be funded from the proceeds of the Issue, there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue. The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. For details, please refer the chapter "*Objects of the Issue*" on page 76 of this Draft Red Herring Prospectus.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

- A. Neither our Company nor our Promoters, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.
- B. None of our Promoters or Directors is Promoter or Directors of companies which are debarred from accessing the capital markets by the SEBI.
- C. Neither our Company nor our Promoters or Directors is a wilful defaulter or Fraudulent Borrower.
- D. None of our Promoters or Directors has been declared as fugitive economic offender under Economic Offenders Act, 2018.

We further confirm that we shall be complying with all the other requirements as laid down for such Issue under Chapter IX of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

In accordance with regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTICTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS 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 THE SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER EXPERT GLOBAL CONSULTANTS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, WILL BE RESPONSIBLE FOR THE STATEMENTS SPECICALLY CONFIRMED OR UNDERTAKEN BY IT IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, EXPERT GLOBAL CONSULTANTS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, EXPERT GLOBAL CONSULTANTS PRIVATE LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED MAY 24, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

Note:

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Draft Red Herring Prospectus with the Registrar of Companies, Mumbai in terms of Section 26 and 32 of the Companies Act, 2013.

Disclaimer from our Company, Directors and the Book Running Lead Manager

Our Company, 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.

Disclaimer in respect of Jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of ₹ 2,500 Lakhs, pension funds with minimum corpus of ₹ 2,500 Lakhs and the National Investment Fund, and permitted non- residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft Red Herring Prospectus does not, however, constitute an invitation to purchase shares issued hereby in any jurisdiction other than India to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession this 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 the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with National Stock Exchange of India Limited for its observations and National Stock Exchange of India Limited shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be Issued 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 since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Draft Red Herring Prospectus in each jurisdiction, including India.

Disclaimer Clause of the Emerge Platform of NSE

As required, a copy of this Issue Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: [●] dated [●], permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Disclaimer Clause under Rule 144A of the U.S. Securities Act, 1993

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in 205 Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those Issues and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off- shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Listing

Application will be made to the "National Stock Exchange of India Limited" for obtaining permission to deal in and for an official quotation of our Equity Shares. National Stock Exchange of India Limited will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The National Stock Exchange of India Limited has given its in-principle approval for using its name in the Issue Document vide its letter no. [●] dated [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of National Stock Exchange of India Limited, our Company will forthwith repay, without interest, all moneys received from the bidders in pursuance of the Draft Red Herring Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of National Stock Exchange of India Limited mentioned above are taken within six Working Days from the Issue Closing Date.

Disposal of Investor Grievances by our Company

Our Company has constituted a Stakeholders' Relationship to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and Issue of duplicate shares. For details, please refer to the chapter titled "*Our Management*" beginning on page 126 of this Draft Red Herring Prospectus.

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be Ten (10) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Supriya Gupta, as the Company Secretary & 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:

Supriya Gupta

Company secretary and Compliance Officer

Neelam Linens and Garments (India) Limited

446-447, 4th Floor, Shah & Nahar Industrial Estate Sitaram Jadav Marg, Lower Parel, Delisle Road, Mumbai- 400013, Maharashtra, India

Telephone: +91 22 2494 2454

Website: www.neelamgarments.com

Email id: compliance@neelamgarments.com

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, non-credit of allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode. Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system "SCORES".

This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in

Our Company has obtained SCORES authentication in compliance with the SEBI circular (CIR/OIAE/1/2013) dated April 17, 2013 and the SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 read with the SEBI circular SEBI/HO/OIAE/IGRD/CIR/P/2021/642 dated October 14, 2021 in relation to redressal of investor grievances through SCORES. As on the date of this Draft Red Herring Prospectus there are no pending investor complaints. Our Company has not received any investor complaint in the three years prior to the filing of this Draft Red Herring Prospectus.

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.”

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least ₹1.00 million or one per cent of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1.00 million or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹5.00 million or with both.

Consents

Consents in writing of: (a) Directors, the Promoters, the Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditor and Peer Review Auditor, Banker to the Company and (b) Book Running Lead Manager, Registrar to the Issue, the Syndicate Members*, Bankers to the Issue/Escrow Bank*, Public Issue Account Bank(s)*, Sponsor Bank(s)* and Refund Bank(s)*, Underwriter*, Market Maker*, Banker to the Issue*, and Legal Advisor to the Issue, to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 26 and 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Draft Red Herring Prospectus for registration with the RoC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Draft Red Herring Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Draft Red Herring Prospectus and Draft Red Herring Prospectus for filing with the RoC.

* The aforesaid will be appointed prior to filing of the 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, 2013 and the SEBI (ICDR) Regulations, Our Statutory and Peer Review Auditor, MASD & Co. LLP, Chartered Accountants, have provided their written consent to the inclusion of their (1) Examination Report on Restated Financial Statements, (2) Restated Financial Statements and (3) Report on Statement of Possible Tax Benefits, which may be available to the Company and its shareholders, included in this Draft Red Herring Prospectus in the form and context in which they appear therein and such consents and reports have not been withdrawn up to the time of filing of this Draft Red Herring Prospectus.

Expert Opinion

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Peer Review Auditor namely, MASD & Co. LLP, Chartered Accountants to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 in respect to their (1) Report on Restated Financial Statements, and (2) Report on Statement of Tax Benefits and issued by them, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated May 13, 2024, from the independent Chartered Engineer, namely Bhavin R. Patel & Associates (registration number: AM161658-5), to include his name in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013, to the extent and in his capacity as a Chartered Engineer, in relation to his certificate, dated January 08, 2024, certifying the capacity utilisation of Production 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.

Stock Market data for our Equity Shares of our Company

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

Price Information and track record of past issued handled by the Book Running Lead Manager

Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by *Expert Global Consultants Private Limited*

Sr. No.	Issue Name	Issue Size (in Lakhs)	Issue price	Listing date	Opening price listing date	+/-% change on benchmark	+/-% change in closing price, changing closing price, +/-% change in closing price, +/-% change in closing benchmark]- 30th calendar days from listing	+/-% change in closing price, +/-% change in closing benchmark]- 90th calendar days from listing	+/-% change in closing price, +/-% change in closing benchmark]- 180th calendar days from listing
SME IPOs									
1	Rite Zone Chemcon India Limited	896.40	75.00	November 11, 2022	82.85	-7.99%; [0.80%]	-11.56%; [-2.60%]	-19.21%; [-0.46%]	
2	Dollex Agrotech Limited	2,438.80	35.00	December 28, 2022	30.00	15.24%; [-1.27%]	-12.70%; [-6.27%]	18.10%; [3.00%]	
3	Sonalis Consumer Products Limited	283.20	30.00	June 19, 2023	38.00	85.59%; [5.30%]	69.65%, [7.66%]	-17.29%; [14.40%]	
4	Zeal Global Services Limited	3,646.20	103.00	August 9, 2023	147.00	57.11%; [0.48%]	32.52%; [-1.12%]	16.29%; [10.90%]	
5	Mangalam Alloys Limited	5,491.20	80.00	October 04, 2023	80.00	-34.54 %; [-1.56%]	-32.70%; [11.86%]	-55.46%; [14.87%]	
6	Royal Sense Limited	986.00	68.00	March 19, 2024	129.20	16.10%; [1.51%]	NA	NA	
7	Jay Kailash Namkeen Limited	1,192.53	73.00	April 08, 2024	85.00	-12.59%; [-1.61%]	NA	NA	
8	K2 Infragen Limited	4,054.09	119.00	April 08, 2024	167.00	-18.96%; [-1.61%]	NA	NA	
Main Board IPOs									
Nil									

For details regarding the track record of the BRLM, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the website www.expertglobal.in

Notes:

- a. Source: www.nseindia.com for the price information
- b. Wherever 30th/90th/180th calendar day from the listing day is a holiday, the closing data of the preceding trading day has been considered.
- c. Wherever 30th/90th/180th calendar day, the scrip are not traded than last trading price has been considered.
- d. Nifty 50 index is considered as the benchmark index.

Summary statement of price information of past public issues handled by Expert Global Consultants Private Limited

Financial Year	Total no. of IPOs*	Total Funds Raised (₹ In Lakh)	Nos. of IPOs trading at discount- 30th calendar days from listing			Nos. of IPOs trading at premium- 30th calendar days from listing			Nos. of IPOs trading at discount- 180th calendar days from listing			Nos. of IPOs trading at premium- 180th 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	2	3,335.20	-	-	1	-	-	1	-	-	1	-	-	1
2023-24	4	10,406.60	2	-	-	-	1	-	-	-	1	-	-	-
2024-25	2	5246.62	-	-	1	-	-	1	-	-	-	-	-	-

Track record of past issues handled by the Book Running Lead Manager

For details regarding the track record of the BRLM, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the website www.expertglobal.in

Previous Rights and Public Offers

Except as stated in the section titled “*Capital Structure*” beginning on page 62 of this Draft Red Herring Prospectus, we have not made any previous rights and/or public offers during last 5 years, and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is first “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

Commission and Brokerage on Previous Offers

Since this is the initial public Offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the last 5 years.

Capital Issue during the Previous Three Years by Issuer Company and Listed Group Companies / Associates

Neither our Company nor any of our Group Companies/Associates have undertaken any capital Issue or any public or rights Issue in the last three years preceding the date of this Draft Red Herring Prospectus. Further, as of the date of this Draft Red Herring Prospectus our Company has no listed subsidiary.

Performance vis-à-vis Objects for our Company and/or Listed Subsidiary Company and/or Listed Promoters Company

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding performance vis-à-vis objects is not applicable to us. Further, as of the date of this Draft Red Herring Prospectus our Company has no any listed corporate promoters and no listed subsidiary company.

Outstanding Debentures, Bonds, Redeemable Preference Shares and Other Instruments issued by the Company.

The Company has no outstanding debentures or bonds. The Company has not issued any redeemable preference shares or other instruments in the past.

Exemption under securities laws

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

SECTION IX – ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the “General Information Document”) which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act 2013, the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchange(s) and the BRLM. Please refer to the relevant provisions of the General Information Document, which are applicable to the Issue.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders/Applicants; (v) issuance of Confirmation of Allocation Note (“CAN”) and Allotment in the Issue; (vi) price discovery and allocation (vii) general instructions (limited to instructions for completing the Bid cum Application Form); (viii) designated date; (ix) disposal of applications; (x) submission of Bid cum Application Form; (xi) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xii) applicable of Companies Act 2013 relating to punishment for fictitious applications; (xiii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for Retail Individual Bidders applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by Retail Individual Bidders through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 had extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders (“UPI Phase III”), and modalities of the implementation of UPI Phase III has been notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, circular no. SEBI/HO/CFD/DIL2/ P/CIR/2021/570 dated June 02, 2021, and circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on or after May 1, 2021 except as set out in circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the provision of this circular are deemed to form part of this Draft Red Herring Prospectus. Furthermore, pursuant to circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to Rs. 5,00,000 shall use the UPI Mechanism. This circular has come into force for initial public offers opening on or after May 1, 2022 and the provisions of this circular are deemed to form part of this Draft Red Herring Prospectus. Subsequently, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

The BRLM shall be the nodal entity for any issues arising out of public issuance process. In terms of regulation 23(4), 23(5) and regulation 271 of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, in SEBI Circular. No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, the timelines, processes and compensation policy shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and book running lead manager shall continue to coordinate with intermediaries involved in the said process.

Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this Section and is not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus.

Further, Our Company and the Book Running Lead Manager are not liable for any adverse occurrence’s consequent to the implementation of the UPI Mechanism for Bid in this Issue.

The Issue

The Issue comprises of a Fresh Issue by our Company.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act 2013, our Memorandum and Articles of Association, SEBI ICDR Regulations, SCRA and shall rank pari-passu in all respects including dividend with the existing Equity Shares including rights in respect of dividends and other corporate benefits, if any, declared by after the date of Allotment Companies Act, 2013 and the Articles.

For further details, please refer to the section titled “*Main Provisions of Articles of Association*” beginning from page 210 of this Draft Red Herring Prospectus.

Authority for the Issue

This Issue has been authorized by a resolution of the Board passed at their meeting held on March 22, 2024, subject to the approval of shareholders through a special resolution to be passed pursuant to section 62(1)(c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62(1)(c) of the Companies Act, 2013 passed at the EGM of the Company held on April 13, 2024.

Mode of Payment of Dividend

The declaration and payment of dividend, if declared, will be as per the provisions of Companies Act, 2013, SEBI Listing Regulations and any other guidelines or directions which may be issued by the Government in this regard, the Memorandum and Articles of Association, and recommended by the Board of Directors and approved by the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. For further details, refer to the section “*Dividend Policy*” and “*Main Provisions of Articles of Association*” beginning on page 148 and 210 respectively of this Draft Red Herring Prospectus.

Face Value, Issue Price, Floor Price, and Price Band

The face value of each Equity Share is ₹ 10 and the Issue Price at the lower end of the Price Band is ₹ [●] per Equity Share and at the higher end of the Price Band is ₹ [●] per Equity Share. The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band and the Bid Lot will be decided by our Company, in consultation with the BRLM, and published by our Company in [●] edition of [●] (a widely circulated English national daily newspaper) and [●] edition of [●] (a widely circulated Marathi national daily 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 Stock Exchange for the purpose of uploading the same on their 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 at the website of the Stock Exchange. The Issue Price shall be determined by our Company, in consultation with the BRLM, after the Bid/Issue Closing Date, on the basis of assessment of market demand for the Equity Shares issued by way of the 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, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act;
- Right to receive Issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013, the terms of the SEBI Listing Regulations, and our Memorandum of Association and Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation or splitting, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page 210 of this Draft Red Herring Prospectus.

Allotment only in Dematerialized Form

Pursuant to Section 29 of the Companies Act, 2013 and the SEBI ICDR Regulations, the Equity Shares shall be allotted only in dematerialized form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form. In this context, two agreements have been signed amongst our Company, the respective Depositories, and the Registrar to the Issue:

- a. Tripartite agreement dated August 22, 2022 with NSDL, our Company and Registrar to the Issue;
- b. Tripartite agreement dated August 22, 2022 with CDSL, our Company and Registrar to the Issue;
- c. The Company’s shares bear an ISIN: INE0N1401016.

Market Lot and Trading Lot

Trading of the Equity Shares will happen in dematerialised form, the minimum contract size of [●] Equity Shares in terms of the SEBI circular no. *CIR/MRD/DSA/06/2012* dated February 21, 2012 and the same may be modified by NSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Share subject

to a minimum allotment of [●] Equity Shares to the successful Applicants. Further, in accordance with SEBI (ICDR) Regulations the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Minimum Number of Allottees

In accordance with Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within two (2) working days of closure of Issue.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Mumbai.

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.

Joint Holders

Subject to the provisions of the Articles of Association, where two or more persons are registered as the holders of the Equity Shares, they shall be deemed to hold the same as joint with benefits of survivorship.

Nomination facility to Bidders

In accordance with Section 72(1) & 72(2) 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(3) of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in accordance to Section 72(4) of the Companies Act, 2013, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Articles of Association of the Company, any Person who becomes a nominee by virtue of the provisions 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 a transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board of Directors may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board of Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Applicant would prevail. If the Applicant wants to change the nomination, they are requested to inform their respective Depository Participant.

Withdrawal of the Issue

Our Company in consultation with the Book Running Lead Manager, reserve the right not to proceed with the Fresh Issue reserve, the right not to proceed with the Issue for Sale, in whole or in part thereof, to the extent of issued, Shares, at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager, through the Registrar to the Issue, shall notify the SCSBs and Sponsor Bank (in case of RII's using the UPI Mechanism), to unblock the bank accounts of the ASBA Applicants and the Escrow Collection Bank to release the Application Amounts to the Anchor Investors, if applicable, within one day of receipt of such notification. Our Company shall also promptly inform the same to the Stock Exchange on which the Equity Shares were proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment; and (ii) the final RoC approval of the Draft Red Herring Prospectus after it is filed with the RoC. If our Company, in consultation with the Book Running Lead Manager withdraw the Issue after the Application/ Issue Closing Date and thereafter determine that it will proceed with public Issue of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with the Stock Exchange.

Bid/Issue Program

BID/ISSUE OPENS ON	[●]day, [●]*
BID/ISSUE CLOSE ON	[●]day, [●]**

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

**Our Company may, 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. UPI mandate end time and date shall be 5.00PM on Bid/Issue Closing Date.

The Anchor Investor Bid/ Issue Period will be one Working Day prior to the Bid/ Issue Opening Date i.e., [●], in accordance with the SEBI ICDR Regulations.

1. In terms of regulation 265 of SEBI (ICDR) Regulation, 2018, the Issue shall be open after at least three working days from the date of filing the Draft Red Herring Prospectus with the Registrar of Companies.
2. In terms of regulation 266(1) of SEBI (ICDR) Regulation, 2018, except as otherwise provided in these regulations, the public Issue shall be kept open for at least three working days and not more than ten working days.
3. In terms of regulation 266(2) of SEBI (ICDR) Regulation, 2018, in case of a revision in the price band, the issuer shall extend the bidding (Issue) period disclosed in the Draft red herring prospectus, for a minimum period of three working days, subject to the provisions of sub-regulation (1) is not applicable to our company as this is fixed price issue.
4. In terms of regulation 266(3) of SEBI (ICDR) Regulation, 2018, In case of force majeure, banking strike or similar circumstances, our company may, for reasons to be recorded in writing, extend the Issue period disclosed in the Draft Red Herring Prospectus, for a minimum period of three working days, subject to the provisions of sub- regulation 266(1).

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
Anchor Investor Bidding Date	[●] day, [●]
Issue Opening Date	[●] day, [●]
Issue Closing Date*	[●] day, [●]
Finalization of Basis of Allotment with NSE	On or about, [●] day,[●]
Initiation of Refunds / unblocking of funds from ASBA Account**	On or about, [●] day,[●]
Credit of Equity Shares to demat account of the Allottees	On or about, [●] day,[●]
Commencement of trading of the Equity Shares on NSE	On or about, [●] day,[●]

*UPI mandate end time and date shall be at 5.00 pm 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 for cancelled/withdrawn/deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/withdrawal/deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/partially allotted Bids, exceeding four Working Days from the Bid/Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Bid/Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable.

The processing fees for applications made by the UPI Bidders using the UPI Mechanism may be released to the remitter bank0073 (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 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

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 NSE is taken within six Working Days from the Issue Closing Date, the time table 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.

SEBI is in the process of streamlining and reducing the post issue timeline for initial public offerings and has through its circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, reduced the time period for listing of shares in public issue from existing 6 days to 3 days. The revised timeline of T+3 days has been 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 01, 2023. Please note that we may need to make appropriate changes in the Red Herring Prospectus and Prospectus depending upon the prevailing date of this Draft Red Herring Prospectus may result in changes to the above-mentioned timelines.

In terms of the UPI Circulars, in relation to the Issue, the BRLM will be required to submit reports of compliance with listing timelines and activities prescribed by SEBI, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Applications and any revision to the same shall be accepted only between **10.00 a.m. and 5.00 p.m.** (IST) during the Issue Period. On the Issue Closing Date, the Applications and any revision to the same shall be accepted between **10.00 a.m. and 5.00 p.m.** (IST) or such extended time as permitted by the Stock Exchanges, in case of Applications by Retail Individual Applicants after taking into account the total number of applications received up to the closure of timings and reported by the Book Running Lead Manager to the Stock Exchange. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 5.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Red Herring Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public Issues, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Business Days. Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

The Registrar to the Issue shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day.

In terms of the UPI Circulars, in relation to the Issue, the BRLM will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within six Working Days from the Bid/ Issue Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

In case of force majeure, banking strike or similar circumstances, the issuer may, for reasons to be recorded in writing, extend the bidding (Issue) period disclosed in the Draft Red herring prospectus (in case of a book built issue) or the Issue period disclosed in the prospectus (in case of a fixed price issue), for a minimum period of three working days, subject to the Bid/ Issue Period not exceeding 10 working days.

In case of any delay in unblocking of amounts in the ASBA Accounts exceeding four Working Days from the Bid / Issue Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid / Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Separately, the following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensated on period
Delayed unblock for cancelled / withdrawn/ deleted applications	₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	Instantly revoke the blocked funds other than the original application amount and ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount and ₹ 100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non-Allotted/ partially Allotted applications	₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalization of the Basis of Allotment till the date of actual Unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the BRLM shall be liable to compensate the investor ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Bids and any revision in Bids shall be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("IST")) during the Bid / Issue Period (except on the Bid / Issue Closing Date) at the Bidding Centers as mentioned on the Application Form except that:

On the Bid / Issue Closing Date:

- i. in case of Bids by Non-Institutional Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 4.00 p.m. (IST);
- ii. in case of Bids by Retail Individual Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 5.00 p.m. (IST), which may be extended up to such time as deemed fit by the Stock Exchanges after considering the total number of bids received up to the closure of timings and reported by the BRLM to the Stock Exchanges

- iii. A standard Cut off time of upto 1:00 PM on T day for Physical application (Bank ASBA) submission by investors.
- iv. A standard Cut off time of upto 12:00 PM on T day for Physical application (Syndicate Non-Retail, Non-Individual Applications of QIBs and NIIs) submission by investors. Syndicate members shall transfer such applications to banks before 1pm on T day.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their applications (in terms of the quantity of the Equity Shares or the Applications Amount) at any stage. Retail Individual Applicants can revise or withdraw their Applications prior to the Issue Closing Date. Except Allocation to Retail Individual Investors, Allocation in the 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 or the electronic Application Form, for a particular Applicant, the details as per the file received from the 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 Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSB or the member of the Syndicate for rectified data.

Minimum Subscription

In terms of Regulation 260(1) of the SEBI (ICDR) Regulations, 2018, the Issue is 100% underwritten, so this Issue is not restricted to any minimum subscription level. For details of underwriting arrangement, kindly refer the chapter titled “*General Information-Underwriting*” beginning on page 5 of this Draft Red Herring Prospectus.

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this Issue document including devolvement of Underwriter within sixty days from the date of closure of the Issue, the issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond four days after the issuer becomes liable to pay the amount, the issuer shall pay interest prescribed under section 40 of the Companies Act, 2013.

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*” beginning on page 5 of this Draft Red Herring Prospectus.

Further, in accordance with Regulation 268 of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

If our Company does not receive the minimum subscription in the Issue as specified under Rule 19(2)(b) of the SCRR or the minimum subscription of 90% of the Fresh Issue on the Bid/Issue Closing Date; or subscription level falls below aforesaid minimum subscription after the Bid/Issue Closing Date due to withdrawal of Bids or technical rejections or any other reason; or in case of devolvement of Underwriters, aforesaid minimum subscription is not received or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares in the Issue, our Company shall forthwith refund the entire subscription amount received.

In terms of the SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, our Company shall within four days from the closure of the Issue, refund the subscription amount received in case of non – receipt of minimum subscription or in case our Company fails to obtain listing or trading permission from the Stock Exchanges for the Equity Shares. If there is a delay beyond the prescribed time, our Company shall pay interest prescribed under applicable law.

In the event of under-subscription, Subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, the Allotment of Equity Shares shall be made towards subscription of the Fresh Issue.

Arrangements for Disposal of Odd Lots

Since the Equity Shares will be traded in dematerialised form only, and the market lot for the Equity Shares will be one Equity Share, there are no arrangements for disposal of odd lots.

The trading of the equity shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder of the Issuer in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on EMERGE Platform of National Stock Exchange of India Ltd.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Issue.

Market Making

The shares issued through this Issue are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited (SME Exchange) with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on EMERGE Platform of National Stock Exchange of India Limited. For further details of the market making arrangement please refer to chapter titled “*General Information*” on page 60 of this Draft Red Herring Prospectus.

Allotment of Equity Shares in Dematerialised Form

In accordance with the SEBI ICDR Regulations, allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

Application by Eligible NRI's, FPI's Registered with SEBI, VCF's, AIF's Registered with SEBI and QFI's

It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

Restrictions, if any on transfer and transmission of Equity Shares

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter "*Capital Structure*" beginning on page 62 of this Draft Red Herring Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details, please refer to the section titled "*Main Provisions of Articles of Association*" beginning on page 210 of this Draft Red Herring Prospectus.

Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the 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 or regulations.

Migration to Main Board

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our company may migrate to the Main board of National Stock Exchange of India Limited from SME Exchange platform on a later date subject to the following:

If the Paid up Capital of our Company is likely to increase above ₹2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall mandatorily apply to National Stock Exchange of India Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

If the Paid up Capital of our company is more than ₹1,000 lakhs but below ₹2,500 lakhs, our Company may still apply for Voluntary migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 our Company shall, after filing the Red Herring Prospectus with the RoC, Mumbai, publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

Compliance with SEBI ICDR Regulations

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

As per the extent guidelines of the government of India, OCBs cannot participate in this Issue.

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid cum Application form, the OCB shall be eligible to be considered for share allocation.

The above information is given for the benefit of the Bidders. The Bidders are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of the Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our post Issue face value capital more than ten crores rupees and up to twenty-five crore rupees. The Company shall Issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the EMERGE Platform of NSE). For further details regarding the salient features and terms of such this Issue, please see the chapters titled “Terms of the Issue” and “Issue Procedure” beginning on page 181 and 191 respectively, of this Draft Red Herring Prospectus.

Issue Structure

Initial Public Issue of up to 60,00,000 equity shares of face value of ₹ 10 each (“equity shares”) for cash at a price of ₹ [●] per equity share (including a share premium of ₹ [●] per equity share) (“issue price”) aggregating up to ₹ [●] lakhs of which up to [●] equity shares of face value of ₹ 10 each for cash at a price of ₹ [●] per equity share including a share premium of [●] per equity share aggregating to ₹ [●] will be reserved for subscription by market maker to the issue (the “market maker reservation portion”). the issue less the market maker reservation portion i.e. net issue of [●] equity shares of face value of ₹10 each at a price of ₹ [●] per equity share aggregating to ₹ [●] is herein after referred to as the “net issue”.

Particulars	QIB's ⁽¹⁾	Non-Institutional Bidders	Retail Individual Bidders	Market Maker
Number of Equity Shares*	[●] Equity Shares	[●] Equity Shares	[●] Equity Shares	[●] Equity Shares
Percentage of Issue Size Available for allocation	Not more than [●] % of the Net Issue size shall be available for allocation to QIBs. However, up to [●] % of net QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Fund only. Up to [●] % of the QIB Portion may be available for allocation to Anchor Investors and one third of the Anchor Investors Portion shall be available for allocation to domestic mutual funds only	Not less than [●] % of the Issue or the Issue less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation	Not less than [●] % of the Issue or the Issue less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation [●] % of the Issue Size	[●] % of the Issue Size
Basis of Allotment / Allocation if respective category is oversubscribed	Proportionate as follows (excluding the Anchor Investor Portion: (a) up to [●] Equity Shares, shall be available for allocation on a proportionate basis to Mutual Funds only; and; (b) [●] Equity shares shall be allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors For further details please refer to the section titled “Issue Procedure” beginning on page 191.	Proportionate	Allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details see, “Issue Procedure” on page 191.	Firm Allotment
Mode of Application	All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Retail Investors using Syndicate ASBA).			
Minimum Bid Size	Such number of Equity shares in multiple of [●] Equity shares such that Application size exceeds ₹ 2,00,000	Such number of Equity shares in multiple of [●] Equity shares such that Application size exceeds ₹ 2,00,000	[●] Equity Shares of Face Value of ₹ 10.00 each	[●] Equity Shares of Face Value of ₹ 10.00 each
Maximum Bid Size	Not exceeding the size of the Issue, subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the offer (excluding the QIB portion), subject to limits as applicable to the Bidder	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹ 2,00,000	[●] Equity Shares
Trading Lot		[●] Equity Shares		[●] Equity Shares.

Particulars	QIB's ⁽¹⁾	Non-Institutional Bidders	Retail Individual Bidders	Market Maker
				However, the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
Mode of Allotment	Compulsorily in Dematerialised Mode			
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Allotment Lot	A minimum of [●] Equity Shares and thereafter in multiples [●] Equity Share			
Terms of Payment	In case of Bidders: Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism (for RIIs), that is specified in the ASBA Form at the time of submission of the ASBA Form.			

*Assuming full subscription in the Issue

1. Our Company may, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the QIB Portion. For further details, see "Issue Procedure" on page 191 of this Draft Red Herring Prospectus.
2. Subject to valid Bids being received at or above the Issue Price. This is an Issue in terms of Rule 19(2)(b) of the SCRR in compliance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Net Issue shall be available for allocation to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price.
3. In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids, except as otherwise permitted, in any or all categories.
4. Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay -In Date as indicated in the CAN. Bidders will be required to confirm and will be deemed to have represented to our Company, the 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.

The Bids by FPIs with certain structures as described under the section entitled "Issue Procedure – Bids by FPIs" on page 191 of this Draft Red Herring Prospectus 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. 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.

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.

Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category except the QIB Portion, would be met with spill-over from the other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM, and the Designated Stock Exchange, on a proportionate basis. For further details, please see "Terms of the Issue" on page 181 of this Draft Red Herring Prospectus.

Lot Size

SEBI vide circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012 ("Circular") standardized the lot size for Initial Public Issue proposing to list on SME exchange/platform and for the secondary market trading on such exchange/platform, as under:

Issue Price (in ₹)	Lot Size (No. of shares)
Up to 14	10,000
More than 14 up to 18	8,000
More than 18 up to 25	6,000
More than 25 up to 35	4,000
More than 35 up to 50	3,000

Issue Price (in ₹)	Lot Size (No. of shares)
More than 50 up to 70	2,000
More than 70 up to 90	1,600
More than 90 up to 120	1,200
More than 120 up to 150	1,000
More than 150 up to 180	800
More than 180 up to 250	600
More than 250 up to 350	400
More than 350 up to 500	300
More than 500 up to 600	240
More than 600 up to 750	200
More than 750 up to 1,000	160
Above 1,000	100

Further to the circular, at the Initial Public Issue stage the Registrar to Issue in consultation with Book Running Lead Manager, our Company and NSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the IPO Lot Size at the application/allotment stage, facilitating secondary market trading.

ISSUE PROCEDURE

All 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 Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders/Applicants; (v) issuance of CAN and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) submission of Bid cum Application Form; (viii) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (x) mode of making refunds; (xi) Designated Date; (xii) disposal of applications; and (xiii) interest in case of delay in Allotment or refund.

SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the process and timeline of T+6 days. (“**UPI Phase I**”). The UPI Phase I was effective until June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by UPI Bidders through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“**UPI Phase II**”). Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, had decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by UPI Bidders (“**UPI Phase III**”) and modalities of the implementation of UPI Phase III was notified by SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and made effective on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase III, subject to any circulars, clarification or notification issued by the SEBI from time to time.

The BRLM shall be the nodal entity for any Issues arising out of the public issuance process. In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI RTA Master Circular, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process.

Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances, including the reduction of time period for unblocking of application monies from 15 days to four days. This circular is effective for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, as amended, are deemed to form part of this Draft Red Herring Prospectus.

Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹5.00 lakhs shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid/Issue Closing Date, in accordance with the SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, the Bidder shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding three Working Days from the Bid/Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide its master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, has reduced the timelines for refund of Application money to four days.

The BRLM shall be the nodal entity for any issues arising out of public issuance process.

Our Company and the BRLM, members of the syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the GID and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity

Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus, when filed.

Further, our Company and the Members of the Syndicate are not liable for any adverse occurrences' consequent to the implementation of the UPI Mechanism for application in the Issue.

Book Building Procedure

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, 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 ICDR Regulations 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 Bidders 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, under subscription, 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 subject to receipt of valid Bids received at or above the Issue Price. However, undersubscription, if any, in the QIB Portion will not be allowed to be met with spill over from other categories or a combination of categories.

Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021 read with press release dated September 17, 2021, and CBDT circular no.7 of 2022, dated March 30, 2022, read with press release dated March 28, 2023.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchange.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms, which do not have the details of the Bidders' depository account, including DP ID, Client ID, UPI ID (in case of UPI Bidders using the UPI Mechanism) and PAN, 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 rematerialised subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws.

However, they may get the Equity Shares rematerialised subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws. Phased implementation of UPI.

PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RIB had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public Issue closure to listing continued to be six Working Days. For further details, refer to the General Information Document available on the website of the Stock Exchange and the Book Running Lead Manager.

Phase II: This phase has become applicable from July 1, 2019. and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and replaced by the UPI Mechanism. However, the time duration from public Issue closure to listing continues to be six Working Days during this phase.

Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("T+3 Notification"). In this phase, the time duration from public Issue closure to listing has been reduced from six Working Days to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Issue is being made under Phase III of the UPI (on a mandatory basis).

Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

Pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 issued by SEBI, as amended by the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 (the “UPI Streamlining Circular”), SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streaming Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors’ complaints, the relevant SCSB as well as the post- issue BRLM will be required to compensate the concerned investor.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation, in compliance with the SEBI RTA Master Circular in a format as prescribed by SEBI, from time to time, and such payment of processing fees to the SCSBs shall be made in compliance with circulars prescribed by SEBI and applicable law. The Issue will be made under UPI Phase III of the UPI Circular. 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 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI. Our Company will be required to appoint one of the SCSBs as the Sponsor Bank(s) to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders.

Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 2.00 lakhs and up to ₹ 5.00 lakhs, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

Pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 (“UPI Streamlining Circular”), SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streamlining Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one Working Day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Book Running Lead Manager.

Electronic registration of Bids

- (a) The Designated Intermediary may register the Bids using the online facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the online facilities for Book Building on a regular basis before the closure of the Issue.
- (b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.
- (c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period till 5.00 pm on the Bid/Issue Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing **Application Form**

BID CUM APPLICATION FORM

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the Book Running Lead Manager, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the website of the NSE (www.nseindia.com), at least one day prior to the Bid/Issue Opening Date.

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE (www.nseindia.com) 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.

UPI Bidders Bidding using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain the UPI ID are liable to be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable for rejection.

The ASBA Bidders, including UPI Bidders, shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, which shall be effective from September 1, 2022. ASBA Bidders (not using the UPI Mechanism) must provide bank account details and authorisation to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected. The ASBA Bidders shall ensure that they have sufficient balance in their bank accounts to be blocked through ASBA for their respective Bid as the application made by a Bidder shall only be processed after the Bid amount is blocked in the ASBA account of the Bidder pursuant to SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, which shall be effective from September 1, 2022. All ASBA Bidders are required to provide either, (i) bank account details and authorizations to block funds in the ASBA Form; or (ii) the UPI ID (in case of UPI Bidders), as applicable, in the relevant space provided in the ASBA Form and the ASBA Forms that did not contain such details will be rejected. Applications made by the UPI Bidders using third party bank account or using third party linked bank account UPI ID are liable to be rejected. The UPI Bidders must provide the valid UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain the UPI ID are liable to be rejected. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. UPI Bidders using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Banks, as applicable at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

Since the Issue is made under Phase III, ASBA Bidders may submit the ASBA Form in the manner below:

- RIBs (other than the UPI Bidders using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- UPI Bidders using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- QIBs and NIIs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.
- ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or the Sponsor Bank(s), as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked / unblocked.

In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked. The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application form*
Resident Indians, including QIBs, Non-institutional Investors and Retail Individual Bidders, each resident in India and Eligible NRIs applying on a non-repatriation basis.	[●]
Non-Residents including Eligible NRIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals under the QIB Portion), FPIs or FVCIs registered multilateral and bilateral development financial institutions applying on a repatriation basis.	[●]
Anchor Investors**	[●]

* Excluding electronic Bid cum Application Form.

** Bid cum Application Forms for Anchor Investors will be made available at the office of the Book Running Lead Manager. Electronic Bid cum Application forms will also be available for download on the website of NSE (www.nseindia.com).

In case of ASBA forms, the relevant Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Form to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. Further, SCSBs shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges and the Stock Exchanges validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. The Stock Exchanges shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on application monies blocked. For UPI Bidders, the Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded. The Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Bidders) Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

For UPI Bidders, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank(s) on a continuous basis through

API integration to enable the Sponsor Bank(s) to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank(s) shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate the UPI Bidders in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank(s), NPCI or the Bankers to the Issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank(s) and the issuer bank. The Sponsor Bank(s) and the Bankers to the Issue shall provide the audit trail to the Book Running Lead Managers for analysing the same and fixing liability.

The Sponsor Bank(s) will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank(s) will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the Book Running Lead Managers in the format and within the timelines as specified under the SEBI UPI Circulars. Sponsor Bank(s) and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank(s) on a continuous basis.

For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022. For all pending UPI Mandate Requests, the Sponsor Bank(s) shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm IST on the Bid/Issue Closing Date (“Cut-Off Time”). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. Further, modification/cancellation of Bids (if any) shall be allowed in parallel during the Bid/Issue Period until the Cut-Off Time.

Pursuant to NSE circular dated August 3, 2022 with reference no. 25/2022, the following is applicable to all initial public offers opening on or after September 1, 2022:

- a) Cut-off time for acceptance of UPI mandate shall be up to 5:00 pm on the initial public offer closure date and existing process of UPI bid entry by syndicate members, registrars to the Issue and Depository Participants shall continue till further notice;
- b) There shall be no T+1 mismatch modification session for PAN-DP mismatch and bank/ location code on T+1 day for already uploaded bids. The dedicated window provided for mismatch modification on T+1 day shall be discontinued;
- c) Bid entry and modification/ cancellation (if any) shall be allowed in parallel to the regular bidding period up to 5 pm on the initial public offer closure day;

The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid/ Issue Opening Date until the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, downtime/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Issue Bidding process.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in accordance with SEBI circular no: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.

Pursuant to SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 Dated November 10, 2015, an Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following intermediaries (Collectively called – 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)

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 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:

For Applications submitted by Investors to SCSBs:	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.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the 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 application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:	After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. 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.
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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 resubmission 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 Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants. Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorising blocking of funds that are available in the bank account specified in the Application Form used by ASBA Applicants. Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms/ Application Forms to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

Pursuant to NSE circular dated August 3, 2022 with reference no. 25/2022, the following is applicable to all initial public offers opening on or after September 1, 2022:

- (a) Cut-off time for acceptance of UPI mandate shall be up to 5:00 pm on the initial public offer closure date and existing process of UPI bid entry by syndicate members, registrars to the issue and Depository Participants shall continue till further notice;
- (b) There shall be no T+1 mismatch modification session for PAN-DP mismatch and bank/ location code on T+1 day for already uploaded bids. The dedicated window provided for mismatch modification on T+1 day shall be discontinued;
- (c) Bid entry and modification/ cancellation (if any) shall be allowed in parallel to the regular bidding period up to 5 pm on the initial public offer closure day;

The Sponsor Bank(s) shall host a web portal for intermediaries (closed user group) from the date of Bid/ Offer Opening Date until the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, downtime/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation in accordance with SEBI circular no: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("U.S. Securities Act") or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in accordance with applicable state securities laws in the United States.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Who can apply?

In addition to the category of Applicants as set forth under "General Information Document for Investing in Public Issues-Category of Investors Eligible to participate in an Issue", the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations, and guidelines, including:

- a. Indian national 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 Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals.
- 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. FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion.
- 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 applicant'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 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. Insurance funds set up and managed by army, navy, or air force of the Union of India.
- s. Multilateral and bilateral development financial institution.
- t. Eligible QFIs.
- u. Insurance funds set up and managed by army, navy or air force of the Union of India.
- v. Insurance funds set up and managed by the Department of Posts, India.
- w. Any other persons 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 RBI regulations, OCBs cannot participate in this Issue.

ELECTRONIC REGISTRATION OF BIDS

- a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Issue.
- b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.
- c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 5:00 pm on the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.
- d) QIBs and Non-Institutional Investors can neither revise their bids downwards nor cancel/withdraw their bids.

Availability of Draft Red Herring Prospectus and Application Forms

The Application Forms and copies of the Draft Red Herring Prospectus may be obtained from the Registered Office of our Company and Book Running Lead Manager to the Issue as mentioned in the Application Form. The application forms may also be downloaded from the website of NSE www.nseindia.com.

Maximum and Minimum Application Size

For Retail Individual Applicants

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 Applicant does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed ₹ 2,00,000.

For Other than Retail Individual Applicants (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 Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application 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 Applicants. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this 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 or regulations.

Basis of Allotment

Allotment will be made in consultation with the Stock Exchange. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category X number of Shares applied for).
- b) The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).

For applications where the proportionate allotment works out to less than [●] Equity shares the allotment will be made as follows:

- i. Each successful applicant shall be allotted [●] Equity shares; and
 - ii. the successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- c) If the proportionate allotment to an applicant works out to a number that is not a multiple of [●] Equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of [●] Equity shares subject to a minimum allotment of [●] Equity shares.
 - d) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. 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.
 - e) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for small individual applicants as described below:
 - As the retail individual investor category is entitled to more than fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
 - The balance net Issue of shares to the public shall be made available for allotment to Individual applicants other than retails individual investors and other investors, including Corporate Bodies/ Institutions irrespective of number of shares applied for.
 - The unsubscribed portion of the net Issue to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

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 Stock Exchange. The Executive Director / Managing Director of 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.

Participation by Associates /Affiliates of BRLM and the Market Makers

The BRLM, Market Maker and the Underwriter, if any shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting and market making obligations. However, associates/affiliates of the BRLM/ Underwriters and Market Maker, if any may subscribe to Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Promoters and Promoter Group and any persons related to our Promoters and Promoter Group cannot participate in the Issue.

PARTICIPATION BY PROMOTERS, PROMOTER GROUP, THE BOOK RUNNING LEAD MANAGER, THE SYNDICATE MEMBERS AND PERSONS RELATED TO PROMOTERS/PROMOTER GROUP/THE BOOK RUNNING LEAD MANAGER

The Book Running Lead Manager and the Syndicate Members shall not be allowed to purchase Equity Shares 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 may Bid for Equity Shares in the Issue, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis or in any other manner as introduced under applicable laws, and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the Book Running Lead Manager and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except as stated below, neither the Book Running Lead Manager nor any associate of the Book Running Lead Manager can apply in the Issue under the Anchor Investor Portion:

- (i) mutual funds sponsored by entities which are associate of the Book Running Lead Manager;
- (ii) insurance companies promoted by entities which are associate of the Book Running Lead Manager;
- (iii) AIFs sponsored by the entities which are associate of the Book Running Lead Manager; or
- (iv) FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the Book Running Lead Manager.

Further, an Anchor Investor shall be deemed to be an “associate of the Book Running Lead Manager” if:

- (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or
- (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or
- (iii) there is a common director, excluding nominee director, amongst the Anchor Investors, the Book Running Lead Manager.

BIDS BY MUTUAL FUNDS

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which such Bid has been made.

No Mutual Fund scheme shall invest more than 10% of its NAV in equity shares or equity-related instruments of any single company, provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

BIDS BY ELIGIBLE NON-RESIDENT INDIANS

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour).

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Bidders Bidding on a repatriation basis by using the Non-Resident Forms should authorise their respective SCSB to block their NRE accounts, or Foreign Currency Non-Resident ("FCNR") Accounts, and eligible NRI Bidders Bidding on a non-repatriation basis by using Resident Forms should authorise their respective SCSB to block their NRO accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form. Eligible NRIs applying on a non-repatriation basis in the Issue through the UPI Mechanism are advised to enquire with their relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the members of the Indian company in a general meeting.

NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the UPI Circulars). Further, subject to applicable law, NRIs may use Channel IV (as specified in the UPI Circulars) to apply in the Issue, provided the UPI facility is enabled for their NRE/NRO accounts.

For details of restrictions on investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" beginning on page 209 of this Draft Red Herring Prospectus.

Participation of Eligible NRIs in the Issue shall be subject to the FEMA Rules. Only Bids accompanied by payment in Indian rupees or fully converted foreign exchange will be considered for Allotment.

BIDS BY HUFs

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Bids/Applications by HUFs may be considered at par with Bids from individuals.

BIDS BY FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control)) shall be below 10% of our post- Issue Equity Share capital on a fully diluted basis. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

As specified in 4.1.4.2 (b)(i) and 4.1.4.2 (c)(iv) of the General Information Document, it is hereby clarified that bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations (“MIM Structure”), provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids are liable to be rejected. Further, in the following cases, the bids by FPIs will not be considered as multiple Bids: involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments (“ODI”) which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category 1 FPIs; and (vii) Entities registered as Collective Investment Scheme having multiple share classes.

With effect from the April 1, 2020, the aggregate limit shall be the sectoral caps applicable to the Indian company as prescribed in the FEMA Rules with respect to its paid-up equity capital on a fully diluted basis. While the aggregate limit as provided above could have been decreased by the concerned Indian companies to a lower threshold limit of 24%, 49% or 74% as deemed fit, with the approval of its board of directors and its shareholders through a resolution and a special resolution, respectively before March 31, 2020, our Company has not decreased such limit and accordingly the applicable limit with respect to our Company is 100%.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

- a) such offshore derivative instruments are transferred only to persons in accordance with Regulation 22(1) of the SEBI FPI Regulations; and
- b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Participation of FPIs in the Issue shall be subject to the FEMA Rules

Please note that in terms of the General Information Document, the maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under applicable laws. Further, MIM Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid. Further, please note that as disclosed in this Draft Red Herring Prospectus read with the General Information Document, Bid Cum Application Forms are liable to be rejected in the event that the Bid in the Bid cum Application Form “exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus.”

For example, an FPI must ensure that any Bid by a single FPI and/ or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control) (collective, the “FPI Group”) shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. Any Bids by FPIs and/ or the FPI Group (including but not limited to (a) FPIs Bidding through the MIM Structure; or (b) FPIs with separate registrations for offshore derivative instruments and proprietary derivative instruments) for 10% or more of our total paid-up post Issue Equity Share capital shall be liable to be rejected.

BIDS UNDER POWER OF ATTORNEY

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹2,500.00 lakhs and pension funds with a minimum corpus of ₹2,500.00 lakhs (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning

any reasons thereof. Our Company in consultation with the Book Running Lead Manager in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

BIDS BY SEBI REGISTERED VCFs, AIFs AND FVCIs

The SEBI FVCI Regulations, inter alia, prescribe the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs. Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, subject to FEMA Rules, VCFs and FVCIs can invest only up to 33.33% of their investible funds in various prescribed instruments, including in public offerings.

Category I AIFs and Category II AIFs cannot invest more than 25% of the investible funds in one investee company. A category III AIF cannot invest more than 10% of the investible funds in one investee company. A VCF registered as a Category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than one-third of its investible funds by way of subscription to an initial public offering of a venture capital undertaking. Pursuant to the repeal of the SEBI VCF Regulations, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. Our Company, the Book Running Lead Manager will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Participation of VCFs, AIFs or FVCIs in the Issue shall be subject to the FEMA Rules.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

BIDS BY LIMITED LIABILITY PARTNERSHIPS

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof.

BIDS BY BANKING COMPANIES

In case of Bids made by banking companies registered with the RBI, certified copies of (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law. 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 Master Directions - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, 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 bank's own paid-up share capital and reserves, whichever is lower. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial services company cannot exceed 20% of the investee company's paid-up share capital and reserves. 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 bank's interest on loans/investments made to a company. The bank is required to submit a time-bound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in excess of 30% of the paid-up share capital of the investee company, (ii) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (iii) 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, as amended.

BIDS BY SCSBs

SCSBs participating in the Issue are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

BIDS BY INSURANCE COMPANIES

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers are prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended ("IRDAI Investment Regulations"), based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies participating in the Issue are advised to refer to the IRDAI Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Bids made by provident funds/pension funds with minimum corpus of ₹2,500.00 lakhs, subject to applicable law, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum

Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserve the right to reject any Bid, without assigning any reason thereof

BIDS BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES

In case of Bids made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis, (iii) a net worth certificate from its statutory auditor, and (iv) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the Book Running Lead Manager, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time

BIDS BY ANCHOR INVESTORS

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section, the key terms for participation by Anchor Investors are provided below.

- 1) Anchor Investor Application Forms will be made available for the Anchor Investors Portion 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 up to ₹2,500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor; and
 - where the allocation under the Anchor Investor portion is more than ₹2,500.00 Lakhs:(i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation up to ₹2,500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹2,500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the 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 Anchor Investor Pay-in Date specified in the CAN. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
- 9) The Equity Shares Allotted in the Anchor Investor Portion will be locked in, in accordance with the SEBI ICDR Regulations. 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.
- 10) Neither the (a) Book Running Lead Manager or any associate of the Book Running Lead Manager (other than mutual funds sponsored by entities which are associate of the Book Running Lead Manager or insurance companies promoted by entities which are associate of the Book Running Lead Manager or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the Book Running Lead Manager or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the Book Running Lead Manager) nor (b) the Promoters, Promoter Group or any person related to the Promoters or members of the Promoter Group shall apply under the Anchor Investors category.

For more information, please read the General Information Document.

The information set out above is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager are not liable for any amendments or modification or changes to 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 any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulations, or as will be specified in the Red Herring Prospectus.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or 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 compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the 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 or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

GENERAL INSTRUCTIONS

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIBs can revise their Bid(s) during the Bid Period and withdraw or lower the size of their Bid(s) until Bid/Issue Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bid Period.

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that your PAN is linked with Aadhaar and you are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021;
3. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
4. Ensure that you have Bid within the Price Band;
5. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
6. Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form if you are not a UPI Bidder in the Bid cum Application Form and if you are a UPI Bidder ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
7. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the General Information Document;
8. UPI Bidders Bidding in the Issue shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID to make an application in the Issue and not ASBA Account or bank account linked UPI ID of any third party;
9. UPI Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs;
10. Ensure that you mandatorily have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;
11. Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms. If the first Bidder is not the ASBA Account holder, ensure that the Bid cum Application Form is also signed by the ASBA Account holder;
12. Ensure that the names given in the Bid cum Application Form is/are exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
13. Ensure that you request for and receive a stamped acknowledgement in the form of a counterfoil or acknowledgment specifying the application number as a proof of having accepted the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
14. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
15. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the circular no. MRD/DoP/Cir-20/2008 dated June 30, 2008 issued by SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of the circular dated July 20, 2006 issued by SEBI, may be exempted from specifying their PAN for transacting in the securities market, and (iii) persons/entities exempt from holding a PAN under applicable law, 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 beneficial 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;
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 in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents including a copy of the power of attorney, if applicable, are submitted;
19. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;
20. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;
21. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
22. Since the Allotment will be in dematerialised form only, ensure that the depository account is active, the correct DP ID, Client ID, UPI ID (for UPI Bidders Bidding through UPI mechanism) and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for UPI Bidders Bidding through UPI mechanism) and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for UPI Bidders Bidding through UPI mechanism) and PAN available in the Depository database;
23. In case of QIBs and NIIs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available

on the website of SEBI at www.sebi.gov.in);

24. Ensure that you have correctly signed the authorisation / undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or the Sponsor Banks, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Issue through the UPI Mechanism, ensure that you authorise the UPI Mandate Request, including in case of any revision of Bids, raised by the Sponsor Banks for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
25. Ensure that the Demographic Details are updated, true and correct in all respects;
26. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Issue, which is UPI 2.0 certified by NPCI;
27. Bidders (except UPI Bidders) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of RIBs, once the Sponsor Banks issues the Mandate Request, the RIBs would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
28. Bidding through UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI pin. Upon the authorization of the mandate using his/her UPI pin, a UPI Bidder Bidding through UPI Mechanism shall be deemed to have verified the attachment containing the application details of the RIB Bidding through UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Banks Issue a request to block the Bid Amount specified in the Bid cum Application Form in his/her ASBA Account;
29. UPI Bidders should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;
30. UPI Bidders who have revised their Bids subsequent to making the initial Bid should also approve the revised UPI Mandate Request generated by the Sponsor Banks to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner;
31. Bids by Eligible NRIs for a Bid Amount of less than ₹2.00 lakhs would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹2.00 lakhs would be considered under the Non-Institutional Category for allocation in the Issue;
32. UPI Bidders using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019; and
33. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Banks prior to 12:00 p.m. of the Working Day immediately after the Bid/ Issue Closing Date.
34. The ASBA bidders shall ensure that bids above ₹5.00 lakhs, are uploaded only by the SCSBs.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid Lot;
2. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;
3. Do not Bid for a Bid Amount exceeding ₹2.00 lakhs (for Bids by RIBs) and ₹5.00 lakhs for Bids by Eligible Employees Bidding in the Employee Reservation Portion;
4. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;
5. Do not Bid/ revise the Bid amount to less than the Floor Price or higher than the Cap Price;
6. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;
7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
8. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
10. Do not submit the Bid for an amount more than funds available in your ASBA account;
11. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
12. 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;
13. 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);
14. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for 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;
15. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;
16. In case of ASBA Bidders (other than UPI Bidders using UPI mechanism), do not submit more than one Bid cum Application Form per ASBA Account;
17. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;
18. Anchor Investors should not bid through the ASBA process;
19. Do not submit the Bid cum Application Form to any non-SCSB bank or our Company;
20. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
21. Do not submit the GIR number instead of the PAN;
22. Anchor Investors should submit Anchor Investor Application Form only to the Book Running Lead Manager;
23. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;

24. If you are a QIB, do not submit your Bid after 3 p.m. on the QIB Bid/ Issue Closing Date;
25. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders or Eligible Employees Bidding in the Employee Reservation Portion can revise or withdraw their Bids on or before the Bid/ Issue Closing Date;
26. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are a UPI Bidder and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;
27. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
28. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID details if you are a UPI Bidder. Further, do not provide details for a beneficiary account which is suspended or for which details cannot be verified to the Registrar to the Issue;
29. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;
30. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;
31. Do not Bid if you are an OCB;
32. UPI Bidders using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected; and
33. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders.
34. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹ 5.00 lakhs;

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

GROUNDS FOR TECHNICAL REJECTION

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids maybe rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by UPI Bidders using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by UPI Bidders using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Banks);
6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. ASBA Form by the RIBs by using third party bank accounts or using third party linked bank account UPI IDs;
10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/22/2010 dated July 29, 2010;
11. GIR number furnished instead of PAN;
12. Bids by RIBs with Bid Amount of a value of more than ₹2.00 lakhs;
13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
14. Bids accompanied by stock invest, money order, postal order or cash; and
15. Bids uploaded by QIBs after 4:00 pm on the QIB Bid/ Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchanges. On the Bid/ Issue Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Bidders, after taking into account the total number of Bids received up to closure of timings for acceptance of Bid-cum Application Forms as stated herein and as informed to the Stock Exchanges.

Further, in case of any pre- Issue or post Issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance officer. For details of the Company Secretary and Compliance officer, see “*General Information*” beginning on page 54 of this Draft Red Herring Prospectus.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three 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 three Working Days from the Bid/ Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Managers shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, Bidders shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

For details of grounds for technical rejections of a Bid cum Application Form, please see the General Information Document

NAMES OF ENTITIES RESPONSIBLE FOR FINALISING THE BASIS OF ALLOTMENT IN A FAIR AND PROPER MANNER

The authorised employees of the Stock Exchange, along with the Book Running Lead Manager and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs

a list of their Bidders who have been allocated Equity Shares in the Issue.

2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this 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.

METHOD OF ALLOTMENT AS MAY BE PRESCRIBED BY SEBI FROM TIME TO TIME

Our Company will not make any allotment in excess of the Equity Shares offered through this Offer document. The allotment of Equity Shares to bidders other than to the RIBs, NIIs and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed. The allotment of Equity Shares to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Bidders Portion and the remaining available shares, if any, shall be allotted on a proportionate basis. Further, not less than 15% of the Net Issue shall be available for allocation to Non-Institutional Bidders in accordance with the SEBI ICDR Regulations. Further, the allocation to each Non-Institutional Investor shall not be less than Minimum NIB Application Size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.

PAYMENT INTO ANCHOR INVESTOR ESCROW ACCOUNTS

Our Company in consultation with the Book Running Lead Manager 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 Anchor Investor Escrow Account should be drawn in favor of:

- a. In case of resident Anchor Investors: “[●]”
- b. In case of Non-Resident Anchor Investors: “[●]”

Anchor Investors 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 of Bid amounts from Anchor Investors.

PRE- ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, our Company shall, after filing the Red Herring Prospectus with the RoC, publish a pre- Issue advertisement, in the form prescribed under the SEBI ICDR Regulations, in all editions of English national daily newspaper, [●], all editions

of Hindi national daily newspaper, [●] editions of the Hindi daily newspaper [●] (Hindi being the regional language of Mumbai where our Registered Office is located) each with wide circulation.

In the pre- Issue advertisement, we shall state the Bid/ Issue Opening Date and the Bid/ Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

ALLOTMENT ADVERTISEMENT

Our Company, the Book Running Lead Manager and the Registrar shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in all editions of English national daily newspaper, [●], all editions of Hindi national daily newspaper, [●] and [●] editions of the Hindi daily newspaper [●] (Hindi being the regional language of Mumbai, where our Registered Office is located) each with wide circulation.

The information set out above is given for the benefit of the Bidders. Our Company, 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 Bid for do not exceed the prescribed limits under applicable laws or regulations.

SIGNING OF THE UNDERWRITING AGREEMENT AND FILING WITH THE ROC

Our company has entered into an Underwriting Agreement dated [●].

After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which would then be termed as the Prospectus. The Prospectus will contain details of the Issue Price, the Anchor Investor Issue Price, the Issue size, and underwriting arrangements and will be complete in all material respects.

Depository Arrangements

The Allotment of the Equity Shares in the Issue shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). For more information, see “*Terms of the Issue*” on page 181 of this Draft Red Herring Prospectus.

IMPERSONATION

Attention of the bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

“Any person who:

- a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹10.00 lakhs or 1% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹10.00 lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹50.00 lakhs or with both.

UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders. The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- all steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges where the Equity Shares are proposed to be listed shall be taken within three Working Days of the Bid/ Issue Closing Date or such other period as may be prescribed;
- 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, the SEBI ICDR Regulations and applicable law for the delayed period;
- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the unsuccessful Bidder within three Working Days from the Bid/ Issue Closing Date or such other prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- Promoters’ contribution, if any, shall be brought in advance before the Bid/ Issue Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;
- that if our Company does not proceed with the Issue after the Bid/ Issue Closing Date but prior to Allotment, the reason thereof shall

be given as a public notice within two days of the Bid/ Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The Stock Exchanges shall be informed promptly;

- the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily
- that if our Company, in consultation with the BRLM, withdraws the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh draft Issue document with the SEBI, in the event our Company subsequently decides to proceed with the Issue thereafter
- no further issue of Equity Shares shall be made until the Equity Shares Issued through the Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.

UTILISATION OF ISSUE PROCEEDS

Our Company, severally and not jointly, specifically confirm that 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.

Details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Net Proceeds remains unutilized, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and

Details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

Our Company shall comply with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Offer.

Our Company shall not have recourse to utilize the Offer Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

Our Company undertakes that the complaints or comments received in respect of the Offer shall be attended by our Company expeditiously and satisfactorily.

To,
Supriya Gupta
Company Secretary & Compliance Officer
Neelam Linens and Garments (India) Limited
446-447, 4th Floor, Shah & Nahar Industrial Estate Sitaram
Jadav Marg, Lower Parel, Delisle Road, Mumbai- 400013,
Maharashtra, India
Telephone: +91 22 2494 2454
Website: www.neelamgarments.com
Email id: compliance@neelamgarments.com

To,
PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED
Unit No. 9, Ground Floor, Shiv Shakti Industrial Estate, J. R. Boricha
Marg, Lower Parel (E) Mumbai – 400011, Maharashtra, India
Tel: +91 22 4961 4132 / 3522 0056
Email/ Investor Grievance E-mail ID: support@purvashare.com
Website: www.purvashare.com
Contact Person: Deepali Dhuri
SEBI Registration No: INR000001112;
CIN: U67120MH1993PTC074079

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 has prescribed the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government of India has from time to time made policy pronouncements on foreign direct investment ("FDI") through press notes and press releases.

The Government of India makes policy announcements on FDI through press notes and press releases. The regulatory framework, over a period of time, thus, consists of acts, regulations, press notes, press releases, and clarifications among other amendments. The DPIIT (formerly Department of Industrial Policy & Promotion) issued the Consolidated FDI Policy Circular dated October 15, 2020, with effect from October 15, 2020 (the "FDI Circular"), which consolidates and supersedes all previous press note, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI.

For details of the aggregate limit for investments by NRIs and FPIs in our Company, see "Issue Procedure - Bids by Eligible NRIs" and "Issue Procedure - Bids by FPIs" on pages 191. As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers, and sale occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. Our Company, and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for the Issue do not exceed the applicable limits under applicable laws or regulations.

For further details, see "Issue Procedure" beginning on page 191 of this Draft Red Herring Prospectus.

SECTION X-MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

**ARTICLES OF ASSOCIATION
OF
NEELAM LINENS AND GARMENTS (INDIA) LIMITED*
THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES**

The regulations contained in Table 'F' of the First Schedule to the Companies Act, 2013 shall not apply to the Company, except in so far as they are embodied in the following Articles, which shall be regulations for the management of the Company.

1. Interpretations:

1.1 In the interpretation of these Articles, the following words and expressions shall have the meanings assigned hereunder, unless repugnant to the subject matter or context thereof:

Act	Means the Companies Act, 2013 and any statutory modification or re-enactment thereof for the time being in force and Companies Act, 1956 (to the extent not repealed/ not replaced by the Companies Act, 2013), as applicable.
Articles or these Articles	Means the articles of association of the Company, as amended from time to time.
Annual General Meeting	Means a general meeting of the members held in accordance with the provisions of Section 96 of the Act or any adjourned meeting thereof.
Auditors	Means and include those persons appointed as such for the time being by the Company or, where so permitted by Applicable Law, by its Board
Applicable Law	Means the Act, and as appropriate, includes any statute, law, listing agreement, regulation, ordinance, rule, judgment, order, decree, bye-law, clearance, directive, guideline, policy, requirement, notifications and clarifications or other governmental instruction or any similar form of decision of, or determination by, or any interpretation or administration having the force of law of any of the foregoing, by any governmental authority having jurisdiction over the matter in question, or mandatory standards as may be applicable from time to time.
Beneficial Owner	Means and include beneficial owner as defined in clause (a) sub-Section (1) of Section 2 of the Depositories Act, 1996.
Board Meeting	Means a meeting of the Directors or a committee thereof, duly called and constituted.
Board or Board of Directors or the Board	Means the board of Directors for the time being of the Company
Chairperson	Shall mean the Person who acts as a chairperson of the Board of the Company
Committee	Means any committee of the Board of Directors of the Company formed as per the requirements of Act or for any other purpose as the Board may deem fit
Company or This Company	Means Neelam Linens And Garments (India) Limited
Chief Executive Officer	Means an officer of a Company, who has been designated as such by the Company
Chief Financial Officer	Means a person appointed as the Chief Financial Officer of a Company
Company Secretary or Secretary	Means a company secretary as defined in clause (c) of sub-Section (1) of section 2 of the Company Secretaries Act, 1980 (56 of 1980) who is appointed by the Company to perform the functions of a company secretary under the Act
Debenture	Includes debenture-stock, bonds and any other debt securities of the Company, whether constituting a charge on the assets of the Company or not.
Depositories Act	Shall mean the Depositories Act, 1996 and includes any statutory modification or enactment thereof
Depository	Shall mean a Depository as defined in clause (e) sub-section (1) of section 2 of the Depositories Act, 1996 and includes a company formed and registered under the Companies Act, 1956 which has been granted a certificate of registration under sub Section (1A) of section 12 of the Securities and Exchange Board of India Act, 1992.
Director	Means a director of the Company for the time being, appointed as such.
Dividend	Includes interim dividend.
Extraordinary General Meeting	Means an extraordinary general meeting of the Members duly called and constituted and any adjourned meeting thereof.
Financial Year	Means the same as in Section 2(41) of the Act
Free Reserves	Means such reserves which, as per the latest audited balance sheet of a company, are available for distribution as Dividend:

	<p>Provided that—</p> <p>(i) any amount representing unrealized gains, notional gains or revaluation of assets, whether shown as a reserve or otherwise, or</p> <p>(ii) any change in carrying amount of an asset or of a liability recognized in equity, including surplus in profit and loss account on measurement of the asset or the liability at fair value, shall not be treated as free reserves</p>
In writing or written	Means and include printing, typing, lithographing, computer mode and other modes of reproducing words in visible form
Independent Director	Means a Director fulfilling the criteria of independence and duly appointed as per Applicable Law.
Key Managerial Personnel	Means such persons as defined in Section 2(51) of Act
Managing Director	Means a Director who, by virtue of the Articles of the Company or an agreement with the Company or a resolution passed in its General Meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the company and includes a Director occupying the position of managing Director, by whatever name called.
General Meeting	Means a meeting of Members of the Company.
Members	Member in relation to the Company, means- (a) the subscribers to the Memorandum of Association of the Company who shall be deemed to have agreed to become members of the company, and on its registration, shall be entered as member in its register of members, (b) every other person who agrees in writing to become a member of the Company and whose name is entered in the register of members of the Company; (c) every person holding shares in the Company and whose name is entered in as a Beneficial Owner in the records of a Depository.
Memorandum or Memorandum of Association	Means the memorandum of association of the Company, as amended from time to time.
Month	Means a calendar month
Ordinary Resolution	Means a resolution referred to in Section 114 of the Act.
Persons	Includes any artificial juridical person, corporations or such other entities as are entitled to hold property in their own name.
Postal Ballot	Means voting by post through postal papers distributed amongst eligible voters and shall include voting by electronic mode or any other mode as permitted under Applicable Law
Register of Beneficial Owners	Means the register of members in case of shares held with a Depository in any media as may be permitted by law, including in any form of electronic mode
Register of Members	Means the register of Members, including any foreign register which the Company may maintain pursuant to the Act and includes Register of Beneficial Owners.
Registrar	Means the Registrar of Companies of the state in which the Registered Office of the Company is for the time being situated
Seal	Means the common seal, if any, adopted for the time being of the Company
Section	Means the relevant section of the Act; and shall, in case of any modification or re-enactment of the Act shall be deemed to refer to any corresponding provision of the Act as so modified or reenacted.
Securities	Means Shares, Debentures and/or such other securities as may be treated as securities under Applicable Law.
Shares	Means the shares into which the Share Capital of the Company is divided.
Share Capital or Capital	Means the share capital for the time being raised or authorized to be raised, for the purpose of the Company
Special Resolution	Means a resolution referred to in Section 114 of the Act.
These Presents	Means the Memorandum of Association and the Articles of Association of the Company.
Tribunal	Means the National Company Law Tribunal constituted under section 408 of the Act
Voting Right	Means the right of a Member of a Company to vote in any meeting of the Company
Written” or “in writing	means and includes the word printed, lithographed, represented in or reproduced in any mode in a visible form
Year	Means the Financial Year of the Company

1.2 Public Limited Company: means as Company which –

- a. is not a private company

b. has a minimum paid up share capital, as may be prescribed:

Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles.

1.3 Expressions not specifically defined in these Articles shall bear the same meaning as assigned to the them in the Ac

1.4 In the interpretation of these Articles,

- (a) any reference to the singular shall include the plural and vice-versa; and
- (b) any references to the masculine, the feminine and the neuter shall include each other.

1.5 The marginal notes hereto shall not affect the construction of these Articles.

SHARE CAPITAL, INCREASE AND REDUCTION OF CAPITAL

Amount of Capital

2. The Authorized Share Capital of the Company shall be such as may be specified from time to time in Clause V of the Memorandum of Association, with power to increase and reduce the Capital of the Company and to divide the Shares in the Capital for the time being into several classes as permissible in Applicable Law and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by the Board, and to vary, modify, amalgamate or abrogate any such rights, privileges or conditions.

Increase of Capital by the Company

3. Subject to Applicable Law, the Board may, from time to time, increase the paid-up Share Capital by creation of new Shares. Such increase shall be of such aggregate amount and to be divided into such Shares of such respective amounts, as the resolution of the Board shall prescribe. Subject to the provisions of the Act, any Shares of the original or increased Share Capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the Board shall determine, and in particular, such Shares may be issued with a preferential or qualified right to dividends, or otherwise, or with a right to participate in some profits or assets of the Company, or with such differential or qualified right of voting at General Meetings of the Company, as permitted in terms of Section 47 of the Act or other Applicable Law.

New Capital part of the existing Capital

4. Except in so far as otherwise provided in the conditions of issue of Shares, any Capital raised by the creation of new Shares shall be considered as part of the existing Capital, and shall be subject to provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

Issue of redeemable preference shares

5. Subject to the provisions of Section 55 of the Act and these Articles, the Company shall have the power to issue redeemable preference Shares liable to be redeemed at the option of the Company and the resolution authorizing such issues shall prescribe the manners, terms and conditions of redemption.

Provisions applicable to any other Securities

6. The Board shall be entitled to issue, from time to time, subject to Applicable Law, any other Securities, including Securities convertible into Shares, exchangeable into Shares, or carrying a warrant, with or without any attached Securities, carrying such terms as to coupon, returns, repayment, servicing, as may be decided by the terms of such issue. Such Securities may be issued at premium or discount, and redeemed at premium or discount, as may be determined by the terms of the issuance: Provided that the Company shall not issue any Shares or Securities convertible into Shares at a discount.

Reduction of Capital

7. The Company may, subject to the provisions of Section 66 of the Act or any other Applicable Law for the time being in force, by way of Special Resolution reduce its Share Capital, any capital redemption reserve account or share premium account in any manner for the time being authorized by law.

Sub-division, consolidation and cancellation of Shares

8. Subject to the provisions of the Act, the Company in General Meeting may, from time to time, sub-divide or consolidate its Shares, or any of them, and the resolution where by any share is sub-divided, may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage as regards dividend or otherwise over or as compared with the others. Subject as aforesaid the Company in General Meeting may also cancel Shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

Variation of rights

9. Whenever the Share Capital is divided into different types or classes of shares, all or any of the rights and privileges attached to each type or class may, subject to the provisions of Sections 48 of the Act, be varied with the consent in writing by holders of at least three-fourths of the issued Shares of the class or is confirmed by a Special Resolution passed at a separate Meeting of the holders of Shares of that class and all the provisions hereinafter contained as to General Meetings shall mutatis mutandis apply to every such class Meeting.

Further issue of Capital

10. Where at any time it is proposed to increase the subscribed Capital of the Company by allotment of further Shares, then:
 - 10.1. Such further Shares shall be offered to the persons who on the date of the offer, are holders of the equity shares of the Company, in proportion as nearly as circumstances admit, to the Capital paid-up on those shares at the date.
 - 10.2. Such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.
 - 10.3. The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favor of any other person and the notice referred to in Article 10.2 hereof shall contain a statement of this right.
 - 10.4. After the expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the interest of the Company.
11. Notwithstanding anything contained in the Article 10, the further Shares aforesaid may be offered in any manner whatsoever, to:
 - 11.1. employees under a scheme of employees' stock option scheme;
 - 11.2. to any persons on private placement or on preferential basis, whether or not those persons include the persons referred to Article 10, either for cash or for a consideration other than cash, if so decided by a Special Resolution, as per Applicable Law.;
12. Nothing contained in these Articles shall apply to the increase of the subscribed Capital of the Company caused by the exercise of an option attached to the Debenture issued or loan raised by the Company to convert such Debentures or loans into Shares in the Company:

Provided that the terms of issue of such Debentures or the terms of such loans containing such an option have been approved before the issue of such Debentures or the raising of loan by a Special Resolution passed by the Company in general meeting.

Shares at the disposal of the Directors

13. Subject to the Applicable Law, the Securities of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such person, 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 and to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the Capital of the Company or other Securities on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

Power to issue Shares outside India

14. Pursuant to the provisions of Applicable Law and subject to such approvals, permissions and sanctions as may be necessary from the Government of India, Reserve Bank of India and/or any other authorities or institutions as may be relevant (hereinafter collectively referred to as "**Appropriate Authorities**") and subject to such terms and conditions or such modifications thereto as may be prescribed by them in granting such approvals, permissions and sanctions, the Company will be entitled to issue and allot in the international capital markets, Equity Shares and/or any instruments or securities (including Global Depository Receipts) representing Equity Shares, any such instruments or securities being either with or without detachable Warrants attached thereto entitling the Warrant holder to Equity Shares/instruments or Securities (including Global Depository Receipts) representing Equity Shares, (hereinafter collectively referred to as "the Securities") to be subscribed to in foreign currency / currencies by foreign investors (whether individuals and/or bodies corporate and/or institutions and whether shareholders of the Company or not) for an amount, inclusive of such premium as may be determined by the Board. Such issue and allotment to be made on such occasion or occasions, at such value or values, or at a premium and in such form and in manner and on such terms and conditions or such modifications thereto as the Board may determine in consultation with Lead Manager and/or Underwriters and/or Legal or other Advisors, or as may be prescribed by the Appropriate Authorities while granting their approvals, permissions and sanctions as aforesaid which the Board be and is hereby authorized to accept at its sole discretion. The provisions of this Article shall extend to allow the Board to issue such foreign Securities, in such manner as may be permitted by Applicable Law.

Acceptance of Shares

15. Any application signed by or on behalf of an applicant, for Shares in the Company, followed by an allotment of any Share shall be an acceptance of shares within the meaning of these Articles and every person who, does or otherwise accepts Shares and whose name is on the Register of Members shall for the purpose of these Articles, be a member.

Deposit and call to be a debt payable immediately

16. The money (if any) which the Board shall, on the allotment of any Share being made by them require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them shall immediately on the insertion of the name of the allottee in the Register of Members as the name of the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

Liability of Members

17. Every member, or his heirs, executors or administrators shall pay to the Company the portion of the Capital represented by his Share(s) which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require or fix for the payment thereof.

The first named joint holder deemed to be sole holder

18. If any Share stands in the names of two or more persons, the person first named in the register shall, as regards receipt of dividends or bonus or service of notice and all or any earlier matter connected with the Company, except voting at meetings, be deemed the sole holder thereof, but the joint holders of a Share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such Shares for all incidents thereof according to the Company's regulations.

Register of Members and index

19. The Company shall maintain a Register of Members and index in accordance with Section 88 of the Act. The details of shares held in physical or dematerialized forms may be maintained in a media as may be permitted by law including in any form of electronic media.
20. A member, or other Security holder or Beneficial Owner may make inspection of Register of Members and annual return. Any person other than the Member or Debenture holder or Beneficial Owner of the Company shall be allowed to make inspection of the Register of Members and annual return on payment of Rs. 50 or such higher amount as permitted by Applicable Law as the Board may determine, for each inspection. Inspection may be made during business hours of the Company during such time, not being less than 2 hours on any day, as may be fixed by the Company Secretary from time to time.
21. Such person, as referred to in Article 20 above, may be allowed to make copies of the Register of Members or any other register maintained by the Company and annual return, and require a copy of any specific extract therein, on payment of Rs. 10 for each page, or such higher amount as permitted under Applicable Law.

Foreign Registers

22. The Company may also keep a foreign register in accordance with Section 88 of the Act containing the names and particulars of the Members, Debenture holders, other Security holders or Beneficial Owners residing outside India; and the Board may (subject to the provisions of aforesaid Section) make and vary such regulations as it may think fit with respect to any such register.

SHARES CERTIFICATES

Share certificate to be numbered progressively and no Share to be subdivided

23. The shares certificates shall be numbered progressively according to their several denominations specify the shares to which it relates and bear the Seal, if any, of the Company and except in the manner hereinbefore mentioned, no Share shall be sub-divided. Every forfeited or surrendered Share certificate shall continue to bear the number by which the same was originally distinguished.

Provided however that the provision relating to progressive or distinctive numbering of shares shall not apply to the shares of the Company which are dematerialized or may be dematerialized in future or issued in future in dematerialized form.

Limitation of time for issue of certificates

24. Subject to the provisions of the Act and other Applicable Law, every Member, other than a Beneficial Owner, shall be entitled, without payment, to one or more certificates in marketable lots, for all the Shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates each for one or more of such Shares within one months of. Every certificates of Shares shall be under the Seal, if any, of the Company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and the amount paid-up thereon and shall be in such form as the Directors may prescribe and approve, provided that in respect of a Share(s) held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be a sufficient delivery to all such holders.

Issue of new certificate in place of one defaced, lost or destroyed

25. If any certificate be worn out, defaced, mutilated, old/ or torn or in case of sub-division or consolidation then upon production and surrender such certificate 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 and the payment of out-of-pocket expenses incurred by the Company in investigating the evidence produced as the Board deems adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued in case of splitting or consolidation of Share certificate(s) or in replacement of Share certificate(s) that are defaced, mutilated, torn or old, decrepit or worn out without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50 for each certificate) as the Directors shall prescribe.

Further, no duplicate certificate shall be issued in lieu of those that are lost or destroyed, without the prior consent of the Board and only on furnishing of such supporting evidence and/or indemnity as the Board may require, and the payment of out-of-pocket expenses incurred by the Company in investigating the evidence produced, without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50 for each certificate) as the Directors shall prescribe.

Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956, as amended or any other Act, or rules applicable thereof in this behalf; Provided further that the Company shall comply with the provisions of Section 46 of the Act and other Applicable Law, in respect of issue of duplicate Share certificates.

26. The provision of this Article shall *mutatis mutandis* apply to issue of certificates of Debentures of the Company

BUY BACK OF SECURITIES BY THE COMPANY

27. **Notwithstanding anything contained in these Articles but subject to the provisions of the Act and other Applicable Law as prescribed by Securities and Exchange Board of India (SEBI) or any other authority for the time being in force, the Company may purchase its own Shares or other specified Securities. The power conferred herein may be exercised by the Board, at any time and from time to time, where and to the extent permitted by Applicable Law, and shall be subject to such rules, applicable consent or approval as required.**

UNDERWRITING AND BROKERAGE

Commission may be paid

28. Subject to the provisions of the Act and other Applicable Law, and subject to the applicable SEBI guidelines and subject to the terms of issue of the Shares or Debentures or any Securities, as defined in the Securities Contract (Regulations) Act, 1956, the Company may, at any time pay a commission out of proceeds of the issue or profit or both to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in or Debentures of the Company, or underwriting or procuring or agreeing to procure subscriptions (whether absolute or conditional) for Shares, Debentures or of the Company but so that the commission shall not exceed in the case of shares, five per cent of the price at which the Shares are issued, and in the case of Debentures, two and a half per cent of the price at which the Debentures are issued or at such rates as may be fixed by the Board within the overall limit prescribed under the Act or Securities and Exchange Board of India Act, 1992. Such commission may be satisfied by payment in cash or by allotment of fully or partly paid Shares, Securities or Debentures or partly in one way and partly in the other.

Brokerage

29. The Company may, subject to Applicable Law, pay a reasonable and lawful sum for brokerage to any person for subscribing or procuring subscription for any Securities, at such rate as approved by the Directors.

CALL ON SHARES

Directors may make calls

30. The Board of Directors may, from time to time and subject to the terms on which Shares have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board, or otherwise as permitted by Applicable Law make such call as it thinks fit upon the Members in respect of all moneys unpaid on the Shares held by them respectively, and each Member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board of Directors. A call may be made payable in instalments.

Notice of calls

31. 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.

32. A call may be revoked or postponed at the discretion of the Board.

Calls to date from resolution

33. A call shall be deemed to have been made at the time when the resolution authorizing such call was passed as provided herein and may be required to be paid by instalments.

Directors may extend time

34. The Board may, from time to time at its discretion, extend the time fixed for the payment of any call, but no member shall be entitled to such extension save as a member of grace and favor.

Calls to carry interest

35. If any member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such percentage as the Board of Directors may determine. Nothing in this Article shall render it obligatory for the Board of Directors to demand or recover any interest from any such member.

36. The Board shall be at liberty to waive payment of any such interest wholly or in part.

Sums deemed to be calls

37. Any sum, which may 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 Articles be deemed to be a call duly made and payable, on the date on which by the terms of issue the same becomes payable and in case of non-payment, all the relevant provisions of these Articles 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.

Proof on trial of suit for money due on Shares

38. At the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the Member, in respect of whose Shares, the money is sought to be recovered appears entered on the Register of Members as the holder, at or subsequently to the date at which the money is sought to be recovered, is alleged to have become due on the Shares in respect of such money is sought to be recovered, that the resolution making the call is duly recorded in the Minutes Book, and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made duly convened or constituted nor any other matters whatsoever, but the proof of the matter aforesaid shall be conclusive evidence of the debt.

Partial payment not to preclude forfeiture

39. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his Shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

Payment in anticipation of call may carry interest

40. The Directors may, if they think fit, subject to the provisions of Section 50 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the Shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or Dividend. The Directors may at any time repay the amount so advanced. The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

41. The provisions of these Articles shall *mutatis mutandis* apply to the calls on Debenture or other Securities of the Company.

LIEN

Company to have lien on Shares

42. The Company shall have a first and paramount lien upon all the Shares/ Debentures/Securities (other than fully paid-up Shares/Debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/ Debentures/Securities and no equitable interest in any Shares shall be created except upon the footing, and upon the condition that

this Article will have full effect and any such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares/Debentures/Securities:

Provided that, fully paid shares shall be free from all lien and that in case of partly paid shares the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

As to enforcing lien by sale

43. For the purpose of enforcing such lien, the Board may sell the Shares subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such Shares and may authorize one of their number to execute a transfer thereof on behalf of and in the name of such member. The purchaser of such transferred Shares shall be registered as the holder of the Shares comprised in any such transfer. 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.
44. No sale shall be made unless a sum in respect of which the lien exists is presently payable or until the expiration of fourteen days after a notice in writing of the intention to sell shall have been served on such Member or his representatives and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, liabilities or engagements for fourteen days after such notice.

Application of proceeds of sale

45. The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and 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 persons entitled to the Shares at the date of the sale.

FORFEITURE OF SHARE

If call or installment not paid notice may be given

46. If any member fails to pay any call or installment on or before the day appointed for the payment of the same, the Board may, at any time thereafter during such time as the call or installment remains unpaid, serve notice on such Member requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

Form of notice

47. The notice shall:
- 47.1. 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
- 47.2. shall detail the amount which is due and payable on the Shares and shall state that in the event of non-payment at or before the time appointed, the Shares will be liable to be forfeited.

If notice not complied with, Shares may be forfeited

48. If the requisitions of any such notice as aforesaid be not complied with, any Shares in respect of which such notice has been given may, at any time thereafter, before payment of all calls or instalments, interest and expenses, due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited Shares and not actually paid before the forfeiture.

Notice of forfeiture to a Member

49. When any Shares shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated, by any omission to give such notice or to make any such entry as aforesaid.

Forfeited Share to become property of the Company

50. Any Share so forfeited shall be deemed to be the property of the Company, and the Board may sell, re-allot or otherwise dispose of the same in such manner as think fit.

Power to annul forfeiture

51. The Board may, at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

Liability on forfeiture

52. Any Member whose Shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereon from the time of the forfeiture of the payment, at such rate as the Board may determine and the Board may enforce the payment thereof, if it thinks fit. 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.

Effect of forfeiture

53. The forfeiture of a Share involves extinction, at the time of the forfeiture, of all interest and all claims and demands against the Company in respect of the Share and all other rights, incidental to the Share except only such of those rights as by these Articles are expressly saved.

Evidence of forfeiture

54. A duly verified declaration in writing that the declarant is a Director, the manager or the secretary of the Company, and that certain Shares in the Company have 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 Shares.

Cancellation of Share certificate in respect of forfeited shares

55. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative Shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect, and the Directors, shall be entitled to issue a duplicate certificate or certificates in respect of the said Shares to the person or persons, entitled thereto as per the provisions herein.

55.1. 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 favor of the person to whom the Share is sold or disposed of.

55.2. The transferee shall thereupon be registered as the holder of the Share; and

55.3. 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.

These Articles to apply in case of any non-payment

56. 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.

EMPLOYEES STOCK OPTIONS

57. Subject to the provisions of Section 62 of the Act and the Applicable Law, the Company may issue options to the any Directors, not being Independent Directors, officers, or employees of the Company, its subsidiaries or its parent, which would give such Directors, officers or employees, the benefit or right to purchase or subscribe at a future date, the Securities offered by the Company at a predetermined price, in terms of schemes of employee stock options or employees share purchase or both: Provided that it will be lawful for such scheme to require an employee, officer, or Director, upon leaving the Company, to transfer Securities acquired in pursuance of such an option/scheme, to a trust or other body established for the benefit of employees of the Company.

POWER TO ISSUE SWEAT EQUITY SHARES

58. Subject to and in compliance with Section 54 and other Applicable Law, the Company may issue equity Shares to its employees or Director(s) at a discount or for consideration other than cash for providing know-how or making available rights in the nature of intellectual property rights or value additions, by whatever name called.

PREFERENTIAL ALLOTMENT

59. Subject to the provisions of Section 62 the Act, read with the conditions as laid down in the Applicable Law, and if authorized by a Special Resolution passed in a General Meeting, the Company may issue Shares, in any manner whatsoever, by way of a preferential offer or private placement. Such issue on preferential basis or private placement should also comply with the conditions as laid down in Section 42 of the Act and/or Applicable law.

CAPITALIZATION OF PROFITS

60. The Company in General Meeting may, upon the recommendation of the Board, resolve:

- 60.1. that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts (including capital redemption reserve account), or to the credit of the profit and loss account, otherwise available for distribution or securities premium account; and
 - 60.2. that such sum be accordingly set free for distribution in the manner specified in 60.1 amongst the members who would have been entitled thereto, if distributed by way of Dividend and in the same proportions.
61. The sum aforesaid shall not be paid in cash but shall be applied, subject to applicable provisions contained herein, either in or towards:
- 61.1. paying up any amounts for the time being unpaid on any Shares held by such Members respectively;
 - 61.2. 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;
 - 61.3. partly in the way specified in Article 61.1 and partly in that specified in Article 61.1;
 - 61.4. The Board shall give effect to the resolution passed by the members of the Company in pursuance of this Article.
 - 61.5. Whenever such a resolution as aforesaid shall have been passed, the Board shall—
 - 61.5.1. make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and
 - 61.5.2. generally, do all such acts and things required to give effect thereto.
62. For the purpose of giving effect to any resolution under Articles 60 and 61, the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient.

TRANSFER AND TRANSMISSION OF SHARES

Register of transfers

63. The Company shall keep a register to be called the 'Register of Transfers', and therein shall be fairly and directly entered particulars of every transfer or transmission of any Share. Entries in the register should be authenticated by the secretary of the Company or by any other person authorized by the Board for the purpose, by appending his signature to each entry.

Instruments of transfer

64. The instrument of transfer shall be in writing and duly stamped and in such form as may be prescribed under the Act from time to time and all provisions of Section 56 of the Act and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of Shares and registration thereof.

To be executed by transferor and transferee

65. Every such instrument of transfer shall be executed both by transferor and the transferee and the transferor shall be deemed to remain the holder of such Shares until the name of the transferee shall have been entered in the Register of Members in respect thereof. The Board shall not issue or register a transfer of any Share in favor of a minor (except in cases when they are fully paid up).
66. Application for the registration of the transfer of a Share may be made either by the transferee or the transferor. Where an application is made by the transferor and relates to partly paid up shares, no registration shall be effected unless the Company gives notice of the application to the transferee subject to the provisions of these Articles, Section 56 of the Act and other Applicable Law, and the transferee gives no objection to the transfer within two weeks from the receipt of the notice. In the event of non-receipt of any objection from the transferee within the period of two weeks as aforesaid, the Company shall enter in the Register the name of transferee in the same manner and subject to the same conditions as if the application for registration of the transfer was made by the transferee.

The Board may, subject to the right of appeal conferred by section 58 decline to register --

- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- (b) any transfer of shares on which the company has a lien.

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.

Transfer books when closed

67. Subject to the applicable provisions of the Act, SEBI Regulations and these Articles, the Board shall have to close the transfer books, the Register of Members, Register of Debenture holders or the Register of other Security holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year, as it may deem expedient.

Directors may refuse to register transfer

68. Subject to the provisions of the Act and other Applicable Law, the Board may at its own, discretion, decline to register or acknowledge any transfer of Securities, whether fully paid or not (notwithstanding that the proposed transferee be already a Member), provided in such cases it shall, within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal to register such transfer: Provided that registration of transfer shall not be refused on the ground of the transferor being, either alone or jointly with any person or persons, indebted to the Company on any account whatsoever except where the Company has lien on the Securities.

Directors to recognize Beneficial Owners of securities

69. Notwithstanding anything contained in these Articles, a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Securities on behalf of a Beneficial Owner.
70. Save as otherwise provided hereinabove, the Depository as a registered owner shall not have any voting rights or any other rights in respect of securities held by it, and the Beneficial Owner shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of its Securities held by a Depository.
71. Except as ordered by a Court of competent jurisdiction or as required by law, the Company shall be entitled to treat the person whose name appears as the Beneficial Owner of the securities in the records of the Depository as the absolute owner thereof and accordingly the Company shall not be bound to recognize any benami, trust or equitable, contingent, future or partial interest in any Security or (except otherwise expressly provided by the Articles) any right in respect of a Security other than an absolute right thereto, in accordance with these Articles on the part of any other person whether or not it shall have express or implied notice thereof.

Nomination

72. Every holder of Shares in, or Debentures of the Company may, at any time, nominate, in the manner prescribed under the Act, a person to whom his Shares in or Debentures of the Company shall vest in the event of death of such holder.
73. Where the Shares in, or Debentures of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or Debentures of the Company, as the case may be, held by them shall vest in the event of death of all joint holders.
74. Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, or in these Articles, in respect of such shares in or Debentures of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the shares in, or Debentures of the Company, the nominee shall, on the death of the shareholders or holder of Debentures of the Company or, as the case may be, on the death of all the joint holders become entitled to all the rights in the shares or Debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner under the provisions of the Act.
75. Where the nominee is a minor, it shall be lawful for the holder of the Shares or holder of Debentures to make the nomination to appoint, in the prescribed manner under the provisions of the Act, any person to become entitled to the shares in or Debentures of the Company, in the event of his death, during the minority.

Transmission in the name of nominee

76. Any person becoming entitled to Securities in consequence of the death, lunacy, bankruptcy or insolvency of any Security holder, or by any lawful means other than by a transfer in accordance with these Presents, may with the consent of the Board of Directors and subject as hereinafter provided, elect, either:
- 76.1. to be registered himself as holder of the Securities; or
- 76.2. to make such transfer of the Securities as the deceased Security holder could have made.

Provided nevertheless that it shall be lawful for the Directors in their absolute discretion to dispense with the production of any evidence including any legal representation upon such terms as to indemnity or otherwise as the Directors may deem fit.

77. 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.
78. If the nominee, so becoming entitled, elects himself to be registered as holder of the Securities, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with death certificate of the deceased Security holder or proof of lunacy, bankruptcy or insolvency of the Security holder, as the case may be, and the certificate(s) of Securities held by such Security holder in the Company.
79. If the person aforesaid shall elect to transfer the Securities, he shall testify his election by executing a transfer of the Securities.
80. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of Securities shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Security holder had not occurred and the notice or transfer were a transfer signed by that Member.
81. A nominee on becoming entitled to Securities by reason of the death of the holder or joint holders shall be entitled to the same Dividend or interest and other advantages to which he would be entitled if he were the registered holder such Securities, except that he shall not before being registered as holder of such Securities, be entitled in respect of them to exercise any right conferred on a Security holder in relation to meetings of the Company.

No transfer to minor, insolvent etc.

82. No transfer shall be made to a minor or person of unsound mind. However, in respect of fully paid up shares, Securities may be transferred in favor of a minor acting through legal guardian, in accordance with the provisions of Applicable Law.

Transfer to be presented with evidence of title

83. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board of Directors may require to prove the title of the transferor, his right to transfer the Shares and generally under and subject to such conditions and regulations as the Board of Directors shall from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board of Directors.

Company not liable for disregard of a notice in prohibiting registration of transfer

84. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effort to any transfer of Shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or deferred thereto, in any book of the Company, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company; but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Board of Directors shall so think fit.

DEMATERIALIZATION OF SECURITIES

Dematerialization of Securities

85. The Board shall be entitled to dematerialize its existing Securities or to offer securities in a dematerialized form pursuant to the Depositories Act, 1996, as amended and the rules framed thereunder, if any.

Options for investors

86. Subject to the Applicable Law, every holder of or subscriber to Securities of the Company shall have the option to receive certificates for such securities or to hold the securities with a Depository. Such a person who is a Beneficial Owner of the Securities can at any time opt out of a Depository, if permitted by law, in respect of any Securities held by him in the manner provided by the Depositories Act, 1996, and the Company shall, in the manner and within the time prescribed by law, issue and deliver to the Beneficial Owner, the required certificates for the Securities.

Securities in depositories to be in fungible form

87. All securities held by a Depository shall be dematerialized and be in fungible form.

Service of Documents

88. Notwithstanding anything contained in these Articles to the contrary, where Securities of the Company are held in a Depository, the records of the beneficiary ownership may be served by such Depository on the Company by means of electronic mode

Transfer of securities

89. Nothing contained in Section 56 of the Act or these Articles shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.

Allotment of securities dealt with in a Depository

90. Notwithstanding anything contained in these Articles, where Securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such Securities.

Register and index of Beneficial Owners

91. The Register and Index of Beneficial Owners maintained by Depository under the Depositories Act, 1996, as amended shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles.

COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS

92. Copies of Memorandum and Articles of Association of the Company shall be furnished to every Member within seven days of his request on payment of an amount as may be fixed by the Board to recover reasonable cost and expenses, not exceeding such amount as fixed under Applicable Law.

BORROWING POWERS

Power to borrow

93. Subject to the provisions of these Articles, the Act and other Applicable Law, the Board may, from time to time, at its discretion, by way of a resolution passed at the meeting of Board, accept deposits from its members or otherwise, raise or borrow, either from the Directors or from elsewhere and secure the payment of any sum or sums of money to be borrowed together with the moneys already borrowed; or where a power to delegate the same is available, by a decision/resolution of such delegate, provided that the Board shall not without the requisite sanction of the Company in General Meeting borrow any sum of money which together with money borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate for the time being of the paid up Capital of the Company and its free reserves.

Conditions on which money may be borrowed

94. The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by the issue of bonds, or other Securities, or any mortgage, or other Security on the undertaking of the whole or any part of the property of the Company (both present and future including its uncalled capital for the time being).

Terms of issue of Debentures

95. Any Debentures, Debenture stock, bonds or other Securities may be issued on such terms and conditions as the Board may think fit: Provided that Debenture with a right to allotment or conversion into shares shall be issued in conformity with the provisions of Section 62 of the Act. Debentures, Debenture stock, bonds and other Securities may be made assignable free from any equities from the Company and the person to whom it may be issued. Debentures, Debenture- stock, bonds or other securities with a right of conversion into or allotment of shares shall be issued only with such sanctions as may be applicable.

Instrument of transfer

96. No transfer of Debentures shall be registered unless a proper instrument of transfer duly executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of the Debentures: Provided that the Company may issue non-transferable Debentures and accept an assignment of such instruments.

Register of charges, etc.

97. The Board shall cause a proper Register to be kept in accordance with the provisions of the Act of all mortgages, Debentures and charges specifically affecting the property of the Company, and shall cause the requirements of Sections 77 to 87 of the Act, both inclusive of the Act in that behalf to be duly complied with, so far as they are ought to be complied with by the Board.

Register and index of Debenture holders

98. The Company shall, if at any time it issues Debentures, keep register and index of Debenture holders in accordance with Section 88 of the Act. Subject to the Applicable Law, the Company shall have the power to keep in any State or Country outside India, a register of Debenture-stock holders, resident in that State or Country.

GENERAL MEETINGS

99. The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year.

100. Every Annual General Meeting shall be called during business hours, that is, between 9 a.m. and 6 p.m. on any day that is not a national holiday and shall be held either at the registered office of the Company or at some other place within the city, town or village in which the registered office of the Company is situate
101. All General Meetings other than annual general meeting shall be called extraordinary general meeting.
102. In the case of an Annual General Meeting, all businesses to be transacted at the meeting shall be deemed special, with the exception of business relating to:
 - 102.1. the consideration of financial statements and the reports of the Board of Directors and Auditors;
 - 102.2. the declaration of any Dividend;
 - 102.3. the appointment of Directors in place of those retiring;
 - 102.4. the appointment of, and the fixing of the remuneration of, the Auditors
103. In case of any other meeting, all business shall be deemed special.
104. The Board may, whenever it thinks fit, call an Extraordinary General Meeting.
105. Where permitted or required by Applicable Law, Board may, instead of calling a meeting of any Members/ class of Members/ Debenture holders, seek their assent by Postal ballot, including e-voting. Such Postal ballot will comply with the provisions of Applicable Law in this behalf.
106. The intent of these Articles is that in respect of seeking the sense of the Members or Members of a class or any Security holders, the Company shall, subject to Applicable Law, be entitled to seek assent of Members, members of a class of Members or any holders of Securities using such use of contemporaneous methods of communication as is permitted by Applicable Law. A written resolution including consent obtained through electronic mode shall be deemed to be sanction provided by the Member, Member of a class or other Security holder by way of personal presence in a meeting.
107. The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any member or members holding in the aggregate not less than one-tenth of such of the paid-up Capital as at the date carries the right of voting in regard to the matter in respect of which the requisition has been made.
108. Any meeting called as above by the requisitionists shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board.

E-voting in case of General Meetings

109. Where the Company conducts General Meetings by way of e-voting, the Company shall follow the procedure laid down under the Act and Applicable Law.
110. Where Member has been allowed the option of voting through electronic mode as per Applicable Law, such Member, or Members, who have voted using the electronic facility, generally, shall be allowed to speak at a General Meeting, but shall not be allowed to vote again at the meeting.

Provided that voting may also be allowed to be case by way of post or any other mode which any Applicable Law may allow.

Notice of General Meetings

111. Subject to the Applicable Law, at least 21 clear days' notice of every General Meeting, specifying the day, date, place and hour of meeting, containing a statement of the business to be transacted thereat, shall be given, either in writing or through electronic mode, to every Member or legal representative of any deceased Member or the assignee of an insolvent Member, every Auditor(s) and Director of the Company.
112. A General Meeting may be called at a shorter notice if consented to by either by way of writing or any electronic mode by not less than 95% of the Members entitled to vote at such meeting.

Quorum at General Meeting

113. 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.
114. Save as otherwise provided herein, the quorum for the General Meetings shall be as provided in Section 103 of the Act.
115. If, at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, the meeting, if convened by or upon the requisition of members shall stand dissolved, but in any other case the meeting shall stand

adjourned to the same day in the next week or to such other day and at such other time and place as the Board may determine subject to Applicable Law and if at such adjourned meeting, a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be quorum and may transact the business for which the meeting was called.

Chairperson at General Meetings

116. The Chairperson, if any, of the Board shall preside as Chairperson at every General Meeting of the Company.
118. 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 among themselves to be Chairperson of the General Meeting.
119. 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 themselves to be Chairperson of the General Meeting.
120. No business shall be discussed at any General Meeting except the election of a Chairperson, while the chair is vacant.

Adjournment of Meeting

121. 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.
122. No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
123. 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.

Voting rights

124. No member shall be entitled to vote either personally or by proxy, at any General Meeting or Meeting of a class of shareholders in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or, in regard to which the Company has, and has exercised any right of lien.
125. Subject to any rights or restrictions for the time being attached to any class or classes of Shares:
 - 125.1. on a show of hands, every member present in person shall have one vote; and
 - 125.2. 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.
 - 125.3. A Member may exercise his vote at a meeting by electronic means in accordance with Section 108 of the Act and shall vote only once.
126. 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.

For this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.

127. 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.
128. Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.
129. No objection shall be raised to the qualification of any voter except at the General Meeting or adjourned General Meeting at which the vote objected to is given or tendered, and every vote not disallowed at such General Meeting shall be valid for all purposes.
130. Any such objection made in due time shall be referred to the Chairperson of the General Meeting, whose decision shall be final and conclusive.

Proxy

131. Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a member may vote by a representative duly authorized in accordance with Section 113 of the Act, and such representative shall be entitled to exercise the same rights and powers (including the rights to vote by proxy) on behalf of the body corporate which he represents as the body could exercise if it were an individual member.

132. 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; and in default the instrument of proxy shall not be treated as valid.
133. Every proxy (whether a Member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a body corporate, under the common seal of such corporate, if any, or be signed by an officer or any attorney duly authorized by it, and any committee or guardian may appoint such proxy. An instrument appointing a proxy shall be in the form as prescribed in terms of Section 105 of the Act.
134. A Member present by proxy shall be entitled to vote only on a poll, except where Applicable Law provides otherwise.
135. The proxy so appointed shall not have any right to speak at the General Meeting.
136. 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.

Maintenance of records and Inspection of minutes of General Meeting by Members

137. Where permitted/required by Applicable Law, all records to be maintained by the Company may be kept in electronic form subject to the provisions of the Act and the conditions as laid down in the Applicable Law. Such records shall be kept open to inspection in the manner as permitted by the Act and Applicable Law. The term 'records' would mean any register, index, agreement, memorandum, minutes or any other document required by the Act and Applicable Law made there under to be kept by the Company.
138. The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered.
139. Any such minutes shall be evidence of the proceedings recorded therein.
140. The book containing the minutes of proceedings of General Meetings shall be kept at the registered office of the Company and shall be open during business hours, for such periods not being less than 2 hours on any day, as may be fixed by the Company Secretary from time to time, to the inspection of any Member without charge.
141. Any Member of the Company shall be entitled to a copy of minutes of the General Meeting on receipt of a specific request and at a fee of Rs. 10/- (Rupees Ten only) for each page, or such higher amount as the Board may determine, as permissible by Applicable Law.

BOARD OF DIRECTORS

142. Until otherwise determined by a General Meeting and subject to provisions of the Act, the number of directors shall not be less than three or more than fifteen.

Following are the First Directors of the Company:

- 1- Kantilal Jethva
- 2- Manjula Kantilal Jethva
- 3- Bhavin Jethwa
- 4- Janki Jethva

143. The Directors are not required to hold any qualification shares.
144. Composition of the Board shall be in accordance with the provisions of Section 149 of the Act and other Applicable Laws. Provided that where there are temporary gaps in meeting the requirements of Applicable Law pertaining to composition of Board of Directors, the remaining Directors shall (a) be entitled to transaction business for the purpose of attaining the required composition of the Board; and (b) be entitled to carry out such business as may be required in the best interest of the Company in the meantime.

Board's power to appoint Additional Directors

145. Subject to the provisions of Sections 149, 152 and 161 of the Act and Applicable Laws, 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 these Articles.
146. 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 or any other law as may be applicable.

Nominee Directors

147. The Company shall, subject to the provisions of the Act and these Articles, be entitled to agree with any Person that he or it shall have the right to appoint his or its nominee on the Board, not being an Independent Director, upon such terms and conditions as the Company may deem fit.
148. Whenever the Company enters into the contract with any government, central, state or local, any bank or financial institution or any person or persons (hereinafter referred to as “**the appointer**”) for borrowing any money or for providing any guarantee or security or for technical collaboration or assistance or for underwriting or enter into any other arrangement whatsoever, the Board shall have, subject to the provisions of the Act, the power to agree that such appointer shall have the right to appoint or nominate by a notice in writing addressed to the Company one or more directors on the Board for such period and upon such conditions as may be mentioned in the agreement and that such director or directors shall not be liable to retire by rotation nor be required to hold any qualification shares. The directors may also agree that any such director or directors may be removed from time to time by the appointer entitled to appoint or nominate them and the appointer may appoint another or others in his or their place and also fill in any vacancy, which may occur as a result of any such director or directors ceasing to hold that office for any reason whatsoever. The directors appointed or nominated under this Article shall be entitled to exercise and enjoy all or any privileges and rights exercised and enjoyed by the directors of the Company including payment of remuneration and travelling expenses to such director or directors as may be agreed by the Company with the appointer.

Appointment of Alternate Directors

149. Subject to the provisions of Section 161 of the Act, the Board may appoint an Alternate Director to act for a Director (hereinafter called “**the Original Director**”) during his absence for a period of not less than three months from India. No person shall be appointed as an Alternate Director in place of an Independent Director unless he is qualified to be appointed as an Independent Director under the Act and Applicable Law. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India. If the office of the Original Director is determined before he so returns to India, any provisions in the Act or in these Articles for the automatic reappointment of any retiring Director in default of another appointment shall apply to the Original Director, and not to the Alternate Director.

For the purpose of absence in the Board meetings in terms of Section 167 (1) (b) of the Act, the period during which an Original Director has an Alternate Director appointed in his place, shall not be considered.

Board's power to fill casual vacancies

150. Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be a Director to fill a casual vacancy. Any person so appointed shall hold office only up to the date to which the Director in whose place he is appointed would have held office if it had not been vacated by him.

Independent Directors

151. Subject to the provisions of the Act and other Applicable Law, the Board or any other Committee as per the Act shall identify potential individuals for the purpose of appointment as Independent Director either from the date bank established under Section 150 of Act or otherwise.
152. The Board on receiving such recommendation shall consider the same and propose his appointment for approval at a General Meeting. The explanatory statement to the notice for such General Meeting shall provide all requisite details as required under the Act.
153. Any casual vacancy in the post of an Independent Director caused by way of removal, resignation, death, vacation of office under Section 167 of the Act and Applicable Law or these Articles, **Error! Reference source not found.**removal from Directorship pursuant to any court order or due to disqualification under Section 164 of Act shall be filled by following the process laid down herein below and in accordance with the Applicable Law. No such casual vacancy shall prejudice the functioning of the Board during the intervening period.
154. Every Independent Director shall at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year or whenever there is any change in the circumstances which may affect his status as an Independent Director, give a declaration that he meets the criteria of independence.
155. The Company and Independent Directors are required to abide by the provisions specified in Schedule IV of the Act.

156. An Independent Director shall not be entitled to any stock option and may receive remuneration by way of sitting fee, reimbursement of expenses for participation in the Board and other meetings and also to such commission based on profits, as may, subject to provisions of Applicable Law, be approved by the Members.
157. An Independent Director shall be held liable, only in respect of such acts of omission or commission by a Company which had occurred with his knowledge, attributable through Board processes, and with his consent or connivance or where he had not acted diligently.
158. The provisions relating to retirement of Directors by rotation shall not be applicable to appointment of Independent Directors.

Term of Office of Independent Director

159. Subject to Applicable Law, an Independent Director shall hold office for a term up to 5 (five) consecutive years on the Board of a Company, but shall be eligible for reappointment for one more term on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's report.
160. No Independent Director shall hold office for more than 2 (two) consecutive terms, but such Independent Director shall be eligible for appointment after the expiration of 3(three) years of ceasing to become an Independent Director provided that he shall not, during the said period of 3 (three) years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

Retirement and rotation of Directors

161. At least two-thirds of the total number of Directors, excluding Independent Directors, will be the Directors who are liable to retire by rotation (hereinafter called "**the Rotational Directors**").
162. Subject to the provisions of the Act and these Articles, the managing Director and/or the whole-time Director shall not, while he continues to hold that office, be subject to retirement by rotation.
163. At every Annual General Meeting of the Company, one-third of the Rotational Directors, or if their number is not three or a multiple of three, then, the number nearest to one-third, shall retire from office.
164. A retiring Director shall be eligible for re-election.

Resignation of Directors

165. Subject to the provisions of Applicable Law, a Director may resign from his office by giving a notice in writing to the Company and Board shall take note of the same. The fact of such resignation shall be mentioned in the report of Directors laid in the immediately following Annual General Meeting by the Company.
166. A Managing Director or a Whole-time Director or any Executive Director who has any terms of employment with the Company shall not give any notice of resignation in breach of the conditions of employment as may be applicable, either to a Director specifically, or to employees of the Company generally. A nominee Director shall not give any notice of resignation except through the nominating person.
167. The resignation of a Director shall take effect from the date on which the notice is received by the Company or the date, if any, specified by the Director in the notice, whichever is later:
Provided that the Director who has resigned shall be liable even after his resignation for the offences which occurred during his tenure.

Removal of Directors

168. Any Director of the Company, except the one appointed by the National Company Law Tribunal, may be removed by way of Ordinary Resolution before the expiry of his term of office, subject to the provisions of Section 169 of Act.

Remuneration of Directors

169. Subject to the provisions of Section 197 of the Act, a Director may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other.

Provided that where the Company takes a Directors' and Officers' Liability Insurance, specifically pertaining to a particular Director and/or officer, then the premium paid in respect of such insurance, for the period during which a Director and/or officer has been proved guilty, will be treated as part of remuneration paid to such Director and/or officer.

170. The Board or a relevant Committee constituted for this purpose shall seek to ensure that the remuneration paid to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

171. The fees payable to a Director for attending the meetings of the Board or Committee thereof shall be such sum as may be decided by the Board of Directors from time to time within the maximum limit as prescribed under the Act and Applicable Law. Fee shall also be paid for attending any separate meeting of the Independent Directors of the Company in pursuance of any provision of the Act. Fee shall also be payable for participating in meetings through permissible electronic mode.
172. In addition to the remuneration payable pursuant to Section 197 of the Act, the Directors may be paid all conveyance, hotel and other expenses properly incurred by them:
- 172.1. in attending and returning from meetings of the Board of Directors or any Committee thereof or general meetings of the Company; or
- 172.2. in connection with the business of the Company.

Directors may act notwithstanding any vacancies on Board

173. The continuing Directors may act notwithstanding any vacancy in their body but if, and so long as their number is reduced below the minimum number fixed by these Articles, the continuing Directors may act for the purpose of increasing the number of Directors to the minimum number fixed by these Articles or for summoning a General Meeting for the purpose increasing the number of Directors to such minimum number, but for no other purpose.

Vacation of office of Director

174. The office of a Director shall ipso facto be vacated:
- 174.1. on the happening of any of the events as specified in Section 167 of the Act.
- 174.2. if a person is a Director of more than the number of Companies as specified in the Act at a time;
- 174.3. in the case of alternate Director, on return of the original Director in terms of Section 161 of the Act;
- 174.4. having been appointed as a Director by virtue of his holding any office or other employment in the holding, subsidiary or associate company, he ceases to hold such office or other employment in that company;
- 174.5. if he is removed in pursuance of Section 169 of the Act;
- 174.6. any other disqualification that the Act for the time being in force may prescribe.

Notice of candidature for office of Directors except in certain cases

175. No person, not being a retiring Director, shall be eligible for appointment to the office of Director at any General Meeting unless he or some Member intending to propose him as a Director, has, not less than fourteen days before the General Meeting, left at the registered office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such Member to propose him as a candidate for that office along with the requisite deposit of Rs. 1,00,000/- (Rupees One Lakh only) or such higher amount as the Board may determine, as permissible by Applicable Law.
176. Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 160 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director, shall sign and file with the Company, the consent in writing to act as a Director, if appointed.

Director may contract with the Company

177. Subject to such sanctions as required by Applicable Law, a Director or any related party as defined in Section 2 (76) of the Act or other Applicable Law may enter into any contract or any arrangement with the Company.
178. Unless so required by Applicable Law, no sanction shall, however, be necessary for any contracts with a related party entered into on arm's length basis. Where a contract complies with such conditions or indicia of arm's length contracts as laid down in a policy on related party transactions framed by the Board in accordance with the Applicable Law, the contract shall be deemed to be a contract entered into on arm's length basis.

Disclosure of interest

179. A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184(2) of the Act; provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other body corporate where the Director of the Company either himself or in association with any other Director hold or holds less than two per cent of the shareholding in such other body corporate.

Interested Director not to participate or vote in Board's proceeding

180. Subject to the provisions of Section 184 of the Act, no Director shall as Director take any part in the discussion of, or vote on any contract or arrangement entered into by or on behalf of the Company, if he is in any way whether directly or indirectly concerned or

interested in such contract or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void.

Register of contracts in which Directors are interested

181. The Company shall keep a register of contracts or arrangements in which directors are interested in accordance with the provisions of Act. Such register shall be kept at the registered office of the Company and shall be preserved permanently be kept in the custody of the Company Secretary of the Company or any other person authorized by the Board for the purpose.
182. Such a Register shall be open to inspection at such office, and extracts maybe taken therefrom and copies thereof may be provided to a Member of the Company on his request, within seven days from the date on which such request is made and upon the payment of Rs. 10 (Rupees Ten only) per page, as such higher amount as may be laid by the Board, as permitted by Applicable Law.

Register of Directors and Key Managerial Personnel and their shareholding

183. The Company shall keep at its registered office a register containing the particulars of its Directors and Key Managerial Personnel, which shall include the details of Securities held by each of them in the Company or its holding, subsidiary, subsidiary of Company's holding Company or associate companies in accordance to Section 170 of the Act and Applicable Law.

Miscellaneous

184. 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.

PROCEEDINGS OF THE BOARD

Meetings of Board

185. The Directors may meet together as a Board from time to time for the conduct of the business of the Company, adjourn or otherwise regulate its meetings, as it thinks fit.
186. A meeting of the Board shall be called by giving not less than seven days' notice in writing to every Director at his address registered with the Company and such notice shall be sent by hand delivery or by post or by electronic mode.
187. The notice of the meeting shall inform the Directors regarding the option available to them to participate through electronic mode, and shall provide all the necessary information to enable the Directors to participate through such electronic mode.
188. Certain matters, as may be specified under the Applicable Law from time to time, shall not be dealt with in a meeting of the Board through video conferencing or other audio visual means.
189. A meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that at least one Independent Director, if any, shall be present at the meeting, or in case of absence of Independent Directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the Directors and shall be final only on ratification thereof by at least one Independent Director.
190. The Board shall so meet at least once in every four months and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit.
191. 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. The names of Directors who have participated in Board meetings through electronic mode shall be entered and initialled by the Company Secretary, stating the manner in which the Director so participated

Meetings of Board by Video/audio-visual conferencing

192. Subject to the provisions of the Act and Applicable Law, the Directors may participate in meetings of the Board otherwise through physical presence, electronic mode as the Board may from time to time decide and Directors shall be allowed to participate from multiple locations through modern communication equipment for ascertaining the views of such Directors who have indicated their willingness to participate by such electronic mode, as the case may be.

Regulation for meeting through electronic mode

193. The Board may, by way of a resolution passed at a meeting, decide the venues where arrangements may be made by the Company, at the Company's cost, for participation in Board meetings through electronic mode, as the case may be, in accordance to the provisions of the Act and Applicable Law. In case of a place other than such places where Company makes arrangements as above,

the Chairperson may decline the right of a Director to participate through electronic mode in view of concerns of security, sensitivity and confidentiality of Board proceedings. Where the Chairperson so permits a Director to participate from a place other than the designated places where the Company has made the arrangements, the security and confidentiality of the Board proceedings shall be the responsibility of the Director so participating, and the cost and expense in such participation, where agreed to by the Chairperson, may be reimbursed by the Company.

194. Subject as aforesaid, the conduct of the Board meeting where a Director participates through electronic mode shall be in the manner as laid down in Applicable Law.
195. The rules and regulations for the conduct of the meetings of the Board, including for matters such as quorum, notices for meeting and agenda, as contained in these Articles, in the Act and/or Applicable Law, shall apply to meetings conducted through electronic mode, as the case may be.
196. Upon the discussions being held by electronic mode, as the case may be, the Chairperson or the Company Secretary shall record the deliberations and get confirmed the views expressed, pursuant to circulation of the draft minutes of the meeting to all Directors to reflect the decision of all the Directors participating in such discussions.
197. Subject to provisions of Section 173 of the Act and the Applicable Laws, a Director may participate in and vote at a meeting of the Board by means of electronic mode which allows all persons participating in the meeting to hear and see each other and record the deliberations. Where any Director participates in a meeting of the Board by any of the means above, the Company shall ensure that such Director is provided with a copy of all documents referred to during such Board meeting prior to the commencement of this Board Meeting.

When can a meeting be convened

198. The Managing Director or a Director may, and the Manager or Company Secretary upon the requisition of Director(s) shall, at any time, summon a meeting of the Board.

Chairperson for Board Meetings

199. The Board may elect a Chairperson, and determine the period for which he is to hold office. The Managing Director may also be appointed by the Board as the Chairperson.
200. 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 numbers to be Chairperson of the meeting.

Quorum

201. The quorum for a meeting of the Board shall be determined from time to time in accordance with the provisions of the Section 174 of the Act. If a quorum is not present within fifteen minutes from the time appointed for holding a meeting of the Board it shall be adjourned until such date and time as the Chairperson of the Board shall decide.

Exercise of powers to be valid in meetings where quorum is present

202. A meeting of the Board of which a quorum be present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles for the time being vested in or exercisable by the Board, or in accordance with Section 179 of the Act, the powers of the Company.

Matter to be decided on majority of votes

203. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes. In case of an equality of votes, the Chairperson of the Board shall have a second or casting vote.

Power to appoint Committee and to delegate powers

204. The Board may, subject to the provisions of the Act, from time to time and at any time delegate any of its powers to committees consisting of such Director or Directors as it thinks fit, and may from time to time revoke such delegation. Unless a power of the Board is not capable of being delegated, such power may be delegated by the Board to any officer or committee of officers as the Board may determine.
205. Any committee of the Board so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed on it by the Board.
206. The meetings and the proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto, and are not superseded by any regulations made by the Board.

Resolution without Board Meeting/ Resolution by Circulation

207. Save as otherwise expressly provided in the Act to be passed at a meeting of the Board and subject to Section 175 of the Act or Applicable Laws, a resolution shall be as valid and effectual as if it had been passed at a meeting of the Board or Committee of the Board, as the case may be, duly called and constituted, if a draft thereof in writing is circulated, together with the necessary papers, if any, to all the Directors, or to all the members of the Committee of the Board, as the case may be, at their addresses registered with the Company in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be), and has been approved by a majority of the Directors or members as are entitled to vote on the resolution.

Provided that, where not less than one-third of the total number of Directors of the Company for the time being require that any resolution under circulation must be decided at a meeting, the chairperson shall put the resolution to be decided at a Board Meeting.

Provided further that where the resolution has been put to vote at a Board Meeting, the consent or dissent of the Directors obtained by way of resolution by circulation shall be rendered void and given effect to.

Acts of Board / Committee valid notwithstanding formal appointment

208. 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 or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained or in these Articles, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director and had not vacated his office or his appointment had not been terminated; provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have been terminated.

Minutes of proceedings of meeting of Board

209. The Company shall cause minutes of proceedings of every meeting of the Board and Committee thereof to be kept in such form by making within thirty days of the conclusion of every such meeting, entries thereof in the books kept for that purpose with their pages consecutively numbered in accordance to Section 118 of the Act or Applicable Laws.
210. Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairperson of the said meeting or the Chairperson of the next succeeding meeting.
211. In no case shall the minutes of proceedings of a meeting be attached to any such book as aforesaid by a pasting or otherwise, if the minutes are kept in physical form.
212. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
213. Where the meeting of the Board takes place through electronic mode, the minutes shall disclose the particulars of the Directors who attended the meeting through such means. The draft minutes of the meeting shall be circulated among all the Directors within fifteen days of the meeting either in writing or in electronic mode as may be decided by the Board and/or in accordance with Applicable Laws.
214. Every Director who attended the meeting, whether personally or through electronic mode, shall confirm or give his comments in writing, if any, about the accuracy of recording of the proceedings of that particular meeting in the draft minutes, within seven days or some reasonable time as decided by the Board, after receipt of the draft minutes failing which his approval shall be presumed.
215. All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meetings.
216. The minutes shall also contain:
- 216.1. The names of the Directors present at the meeting; and
 - 216.2. In the case of each resolution passed at the meeting the names of the Directors, if any, dissenting from or not concurring in the resolution.
217. Nothing contained in these Articles shall be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairperson of the meeting:
- 217.1. is, or could reasonably be regarded as defamatory of any person.
 - 217.2. is irrelevant or immaterial to the proceedings; or
 - 217.3. is detrimental to the interest of the Company.

218. The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this Article.
219. Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.
220. Any Director of the Company may requisition for physical inspection of the Board Meeting minutes in accordance with the Applicable Law.

Powers of Board

221. The Board may exercise all such powers of the Company and do all such acts, and things as are not, by the Act and Applicable Law made thereunder, or any other Act, or by the Memorandum, or by these Articles of the Company, required to be exercised by the Company in General Meeting subject nevertheless to these Articles, to the provisions of the Act and the Applicable Law made thereunder, or any other Act and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting; but no regulations made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
222. The Board may subject to Section 186 of the Act and provisions of Applicable Law made thereunder shall by means of unanimous resolution passed at meeting of Board from time to time, invest, provide loans or guarantee or security on behalf of the Company to any person or entity.

Restriction on powers of Board

223. The Board of Directors shall exercise the following powers subject to the approval of Company by a Special Resolution:
- 223.1. to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings;
- 223.2. to invest otherwise in trust securities the amount of compensation received by it as a result of any merger or amalgamation;
- 223.3. to borrow money, where the money to be borrowed, together with the money already borrowed by the Company will exceed aggregate of its paid-up Share Capital and free-reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business;
- 223.4. to remit, or give time for the repayment of, any debt due from a Director.

Contribution to charitable and other funds

224. The Board of Directors of a Company may contribute to bona fide charitable and other funds. A prior permission of the Company in general meeting by way of ordinary resolution shall be required for if the aggregate of such contributions in a financial year exceeds 5 % (five percent) of its average net profits for the three immediately preceding financial years

Absolute powers of Board in certain cases

225. Without prejudice to the general powers conferred by Section 179(3) of the Act or Applicable Laws and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in these Articles or the Applicable Law, it is hereby declared that the Directors shall have the following powers; that is to say, power:
- 225.1. To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
- 225.2. To pay any interest lawfully payable under the provisions of Section 40 of the Act.
- 225.3. To act jointly and severally in all on any of the powers conferred on them.
- 225.4. To appoint and nominate any Person(s) to act as proxy for purpose of attending and/or voting on behalf of the Company at a meeting of any Company or association.
- 225.5. To comply with the provisions of Applicable Law which in their opinion shall, in the interest of the Company be necessary or expedient to comply with.
- 225.6. To make, vary and repeal bye-laws for regulation of business of the Company and duties of officers and servants.
- 225.7. Subject to Sections 179 and 188 of the Act, to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorized to acquire, at or for such price or consideration and generally on such terms and

conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.

- 225.8. Subject to the provisions of the Act and Applicable Laws, to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in Shares, bonds, Debentures, mortgages, or other securities of the Company, and such Shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon all or any part of the property of the Company and its uncalled Capital or not so charged;
- 225.9. To secure the fulfilment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled Capital for the Company being or in such manner as they may think fit;
- 225.10. To accept from any member, as far as may be permissible by law, a surrender of his Shares or any part thereof, on such terms and conditions as shall be agreed;
- 225.11. To borrow or raise or secure the payment of money in such manner as the Company shall think fit and in particular by the issue of Debenture or Debenture stock, perpetual or otherwise charged upon all or any of the Company's property (both present and future).
- 225.12. To open and deal with current account, overdraft accounts with any bank/banks for carrying on any business of the Company.
- 225.13. To appoint any Person (whether incorporated or not) to accept and hold in trust for the Company and property belonging to the Company, in which it is interested, or for any other purposes; and execute such deeds and do all such things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;
- 225.14. To institute, conduct, defend, compound, refer to arbitration or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, and of any claim or demands by or against the Company.
- 225.15. To refer any claims or demands or differences by or against the Company or to enter into any contract or agreement for reference to arbitration, and observe, enforce, perform, compound or challenge such awards and to take proceedings for redressal of the same.;
- 225.16. To act as trustees in composition of the Company's debtors and/or act on behalf of the Company in all matters relating to bankrupts and insolvents;
- 225.17. To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.
- 225.18. Subject to the provisions of Sections 179 and 186 of the Act, to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being Shares of this Company), or without security and in such manner as they think fit, and from time to time to vary the size of such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name;
- 225.19. To execute in the name and on behalf of the Company in favor of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.
- 225.20. To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividends, warrants, releases, contracts and documents and to give the necessary authority for such purpose;
- 225.21. Subject to provisions of Applicable Law, to give a Director or any officer or any other person whether employed or not by the Company, share or shares in the profits of the Company, commission on the profits of any particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company;
- 225.22. To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons by building or contributing to the building of houses, dwellings or by grants of money, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident and other associations, institutions; funds or trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit;

- 225.23. To subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise;
- 225.24. Before recommending any Dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund, or to an Insurance Fund, or as a Reserve Fund, or Sinking fund, or any Special Fund to meet contingencies or to repay Debentures or Debenture stock, or for special dividends or for equalized dividends or for repairing, improving, extending and maintaining any of the property of the Company or for such other purpose (including the purposes referred to in the preceding clause), as the Board may, in their absolute discretion, think conducive to the interest of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as required to be invested upon such investments (other than Shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expand all or any part thereof for the benefit of the Company, in such manner and for such purpose as the Board in their absolute discretion think conducive to the interest of the Company, notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the reserve into such special Funds as the Board may think fit, with full power to transfer the whole, or any portion of a Reserve Fund or division of a Reserve Fund to another Reserve Fund or division, of a Reserve Fund and with full power to employ the assets constituting all or any of the above Funds, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of Debentures or Debenture stock, and without being bound to keep the same, separate from the other assets, and without being bound to pay interest on the same with power, however, to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.
- 225.25. Subject to the provisions of the Act to appoint, and at their discretion remove or suspend such general managers, managers, secretaries, assistants, supervisor, clerks, agents and servants of permanent, temporary or special services as they may for time to time think fit, and to determine their powers and duties and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit also from time to time provide for the management and transaction of the affairs of the Company in any specified locality in India, or elsewhere in such manner as they think fit; and the provisions contained in the four next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause.
- 225.26. To comply with the requirements of any local law which in their opinion it shall, in the interest of the Company, be necessary of expedient of comply with;
- 225.27. Subject to applicable provisions of the Act and Applicable Law, to appoint purchasing and selling agents for purchase and sale of Company's requirement and products respectively.
- 225.28. From time to time and at any time to establish any local board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to the members of such local boards and to fix their remuneration.
- 225.29. Subject to Section 179 & 180 of the Act from time to time and at any time, delegate to any person so appointed any of the powers, authorities and discretion for the time being vested in the Board, other than their power to make calls or to make loans or borrow or moneys, and to authorize the Members for the time being of any such local board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation.
- 225.30. At any time and from time to time by power of attorney under the Seal, if any, of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Board under these Presents and excluding the powers to make calls and excluding also, except in their limits authorized by the Board, the power to make loans and borrow money') and for' such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favor of the members or any of the Members of any Local Board, established as aforesaid or in favor of any Company, or the Shareholders, Directors, nominees or managers of any Company or firm or otherwise in favor of any fluctuating body of persons whether nominated directly by the Board and any such power of Attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Board may think fit and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them;
- 225.31. Subject to Sections 184 and 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such contracts, agreements and to execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient;

225.32. Subject to the provisions of the Act, the Board may pay such remuneration to Chairperson / Vice Chairperson of the Board upon such conditions as they may think fit.

225.33. To take insurance of any or all properties of the Company and any or all the employees and their dependants against any or all risks.

225.34. To take insurance on behalf of its managing Director, whole-time Director, manager, Chief Executive Officer, Chief Financial Officer or Company Secretary or any officer or employee of the Company for indemnifying any of them against any liability in respect of any negligence, default, misfeasance, breach of duty or breach of trust for which they may be guilty in relation to the Company.

MANAGING DIRECTOR

Board may appoint Managing Director(s)

226. Subject to the provisions of the Act and of these Articles, the Board shall have power to appoint from time to time any of its member or members as Managing Director(s) of the Company for fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit and subject to the provisions of these Articles the Board may by resolution vest in such Managing Director(s) such of the powers hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine.

227. Subject to the Article above, the powers conferred on the Managing Director shall be exercised for such objects and purpose and upon such terms and conditions and with such restrictions as the Board may think fit and it may confer such powers either collateral with or to the exclusion of and in substitution of all or any of the powers of the Board in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers. The Managing Director shall not exercise any powers under Section 179 of Act except such powers which can be delegated under the Act and specifically delegated by a resolution of the Board.

Restriction on Management

228. The Board of Directors may, subject to Section 179 of the Act, entrust to and confer upon a Managing or whole time Director any of the powers exercisable by them, upon such terms and conditions and with such restrictions, as they may think fit and either collaterally with or to the exclusion of their own powers and may, from time to time, revoke, withdraw or alter or vary all or any of such powers.

Remuneration to Managing Directors/ Whole time Directors

229. A Managing or whole time Director may be paid such remuneration, whether by way of monthly payment, or participation in profits, or by any or all these modes, or any other mode not expressly prohibited by the Act, as the Board of Directors may determine.

POWER TO AUTHENTICATE DOCUMENTS

230. Subject to the Applicable Law, any Director or the Company Secretary or any officer appointed by the Board for the purpose shall have power to authenticate any documents affecting the constitution of the Company and any books, records, documents and accounts relating to the business of the Company and to certify copies or extracts thereof; and where any books, records documents or accounts are then, at the office, the local manager or other officer of the Company having the custody thereof, shall be deemed to be a person appointed by the Board as aforesaid.

231. Document purporting to be a copy of resolution of the Board or an extract from the minutes of meeting of the Board which is certified as such in accordance with the provisions of the preceding Article shall be conclusive evidence in favor of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be that extract is a true and accurate records of a duly constituted meeting of the Directors.

THE SEAL

232. The Board may, in its absolute discretion, adopt a common seal for the Company.

233. The Board shall provide for the safe custody of the Seal, if adopted and shall have the power from time to time to destroy the same and substitute a new Seal in lieu thereof and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given. The Company shall also be at liberty to have an official Seal for use in any territory, district or place outside India.

234. The Seal of the Company, if any, shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorized by it in that behalf, and except in the presence of such Directors or such other person as the Board may specify/appoint for the purpose; and the Director.

MANAGEMENT OUTSIDE INDIA AND OTHER MATTERS

235. Subject to the provisions of the Act, the following shall have effect:

- 235.1. The Board may from time to time provide for the management of the affairs of the Company outside India (or in any specified locality in India) in such manner as it shall think fit and the provisions contained in the four next following paragraphs shall be without prejudice to the general powers conferred by this paragraph.
- 235.2. Subject to the provisions of the Act, the Board may at any time establish any local Directorate for managing any of the Delegation. affairs of the Company outside India, and may appoint any person to be member of any such local Directorate or any manager or agents and may fix their remuneration and, save as provided in the Act, the Board may at any time delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board and such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit and the Board may at any time remove any person so appointed and annual or vary any such delegations.
- 235.3. The Board may, at any time and from time to time by power of attorney under Seal, if any, appoint any person to be the attorney of the Company for such purposes and with such powers, authorities and discretions not exceeding those which may be delegated by the Board under the Act and for such period and subject to such conditions as the Board may, from time to time, thinks fit, and such appointments may, if the Board thinks fit, be made in favor of the members or any of members of any local Directorate established as aforesaid, or in favor of the Company or of the members, Directors, nominees or officers of the Company or firm or In favor of any fluctuating body of persons whether nominated directly or indirectly by the Board, and any such Power of Attorney may contain such provisions for the protection or convenience of persons dealing with such attorneys as the Board thinks fit.
- 235.4. Any such delegate or Attorney as aforesaid may be authorized by the Board to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.
- 235.5. The Company may exercise the power conferred by the Act with regard to having an Official seat for use abroad, and such powers shall be vested in the Board, and the Company may cause to be kept in any state or country outside India, as may be permitted by the Act, a Foreign Register of Member or Debenture holders residents in any such state or country and the Board may, from time to time make such regulations not being inconsistent with the provisions of the Act, and the Board may, from time to time make such provisions as it may think fit relating thereto and may comply with the requirements of the local law and shall In any case comply with the provisions of the Act.

DIVIDENDS AND RESERVE

Division of profits

236. The profits of the Company, subject to any special rights as to dividends or authorized to be created by these Articles, and subject to the provisions of these Articles shall be divisible among the members in proportion to the amount of Capital paid-up on the Shares held by them respectively.

The Company in general meeting may declare a Dividend

237. The Company in general meeting may declare dividends to be paid to members according to their respective rights, but no Dividend shall exceed the amount recommended by the Board; the Company in general meeting may, however declare a smaller Dividend. No Dividend shall bear interest against the Company.

Dividend only to be paid out of profits

238. Subject to the provisions of the Act, the Dividend can be declared and paid only out of:

- 238.1. Profits of the financial year, after providing depreciation;
- 238.2. Accumulated profits of the earlier years, after providing for depreciation;
- 238.3. Out of monies provided by Central or State Government for payment of Dividend in pursuance of a guarantee given by the Government.

239. If the Company has incurred any loss in any previous financial year or years, the amount of the loss or any amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which the Dividend is proposed to be declared or paid or against the profits of the Company for any previous financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of the Act, or against both.

Transfer to reserve

240. 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 equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit.
241. Such reserve, being free reserve, may also be used to declare dividends in the event the Company has inadequate or absence of profits in any financial year, in accordance to Section 123 of the Act and Applicable Law made in that behalf. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

Interim Dividend

242. Subject to the provisions of Section 123 of the Act and Applicable Law, 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.

Calls in advance not to carry rights to participate in profits

243. Where Capital is paid in advance of calls such Capital may carry interest but shall not in respect thereof confer a right to Dividend or participate in profits.

Payment of pro rata Dividend

244. 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.

Deduction of money owed to the Company

245. 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.

Rights to Dividend where shares transferred

246. A transfer of Share shall not pass the right to any Dividend declared thereon before the registration of the transfer.

Dividend to be kept in abeyance

247. The Board may retain the dividends payable in relation to such Shares in respect of which any person is entitled to become a Member by virtue of transmission or transfer of Shares and in accordance sub-Section (5) of Section 123 of the Act or Applicable Law. The Board may also retain dividends on which Company has lien and may apply the same towards satisfaction of debts, liabilities or engagements in respect of which lien exists.

Notice of Dividend

248. 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.

Manner of paying Dividend

249. Subject to the Applicable Law, any Dividend, interest or other monies payable in cash in respect of shares may be paid by any electronic mode to the shareholder entitled to the payment of the Dividend, or by way of 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.
250. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or Warrant or pay-slip or receipt lost in transmission, or for any Dividend lost to the member of person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any pay-slip or receipt or the fraudulent recovery of the Dividend by any other means.

Receipts for Dividends

251. 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.

Non-forfeiture of unclaimed Dividend

252. No unclaimed Dividend shall be forfeited by the Board unless the claim thereto becomes barred by law and the Company shall comply with the provision of Sections 124 and 125 of the Act in respect of all unclaimed or unpaid dividends.

ACCOUNTS

Directors to keep true accounts

253. The Company shall keep at the registered office or at such other place in India as the Board thinks fit, proper books of account and other relevant books and papers and financial statement for every financial year in accordance with Section 128 of the Act.
254. Where the Board decides to keep all or any of the Books of Account at any place in India other than the registered office of the Company the Company shall within seven days of the decision file with the Registrar a notice in writing giving, the full address of that other place.
255. The Company shall preserve in good order the books of account relating to the period of not less than eight years preceding the current year together with the vouchers relevant to any entry in such Books of Account.
256. Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the preceding Article if proper Books of Account relating to the transactions effected at the branch office are kept at the branch office and proper summarized returns made up to date at intervals of not more than three months are sent by the branch office to the Company at its registered office or at any other place in India, at which the Company's Books of Account are kept as aforesaid.
257. The books of account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain its transactions effected both at the registered office and its branches and such books shall be kept on accrual basis and according to the double entry system of accounting. The Books of Account and other books and papers shall be open to inspection by any Directors during business hours.

Preparation of revised financial statements or Boards' Report

258. Subject to the provisions of Section 131 of the Act and the Applicable Law made thereunder, the Board may require the preparation of revised financial statement of the Company or a revised Boards' Report in respect of any of the three preceding financial years, if it appears to them that (a) the financial statement of the Company or (b) the report of the Board do not comply with the provisions of Section 129 or Section 134 of the Act.

Places of keeping accounts

259. 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.
260. 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 authorized by the Board or by the Company in general meeting.

AUDIT

Auditors to be appointed

261. Statutory Auditors and Cost Auditors, if any, shall be appointed and their rights and duties regulated in accordance with Sections 139 to 148 of the Act and Applicable Laws. Where applicable, a Secretarial Auditor shall be appointed by the Board and their rights and duties regulated in accordance with Sections 204 of the Act and Applicable Laws.
262. Subject to the provisions of Section 139 of the Act and Applicable Laws made thereunder, the Statutory Auditors of the Company shall be appointed for a period of five consecutive years, subject to ratification by members at every annual general meeting. Provided that the Company may, at a General Meeting, remove any such Auditor or all of such Auditors and appoint in his or their place any other person or persons as may be recommended by the Board, in accordance with Section 140 of the Act or Applicable Laws.

Remuneration of Auditors

263. The remuneration of the Auditors shall be fixed by the Company in Annual general meeting or in such manner as the Company in general meeting may determine.

DOCUMENTS AND NOTICES

Service of documents and notice

264. A document or notice may be served or given by the Company on any member either personally or sending it by post to him to his registered address or (if he has no registered address in India) to the address, if any, in India supplied by him to the Company for serving documents or notices on him or by way of any electronic transmission, as prescribed in Section 20 of the Act and Applicable Law made thereunder.

265. Where a document or notice is sent by post, services of the document or notice shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or notice, provided that where a member has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of the doing so, service of the documents or notice shall not be deemed to be effected unless it is sent in the manner intimated by the member and such service shall be deemed to have been effected in the case of Notice of a meeting, at the expiration of forty-eight hours after the letter containing the document or notice is posted and in any other case at the time at which the letter would be delivered in the ordinary course of post.

Notice to whom served in case of joint shareholders

266. A document or notice may be served or given by the Company on or given to the joint-holders of a Share by serving or giving the document or notice on or to the joint-holders named first in the Register of Members in respect of the Share.

Notice to be served to representative

267. A document or notice may be served or given by the Company on or to the persons entitled to a Share in consequence of the death or insolvency of a member by sending it through post in a prepaid letter addressed to him or them by name or by the title of representatives of the deceased or assignee of the insolvent or by any like description, at the address if any) in India supplied for the purpose by the persons claiming to be entitled, or (until such an address has been so supplied) by serving the document or notice in any manner in which the same might have been given if the death or insolvency had not occurred.

Service of notice of General Meetings

268. Documents or notices of every General Meeting shall be served or given in the same manner hereinbefore on or to (a) every member of the Company, legal representative of any deceased member or the assignee of an insolvent member, (b) every Director of the Company and (c) the Auditor(s) for the time being of the Company.

Members bound by notice

269. Every person who, by operation of law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such shares, which previously to his name and address being entered on the Register of Members, shall have been duly served on or given to the person from whom he derives his title to such shares.

Documents or notice to be signed

270. Any document or notice to be served or given by the Company may be signed by a Director or some person duly authorized by the Board of Directors for such purpose and the signatures thereto may be written, printed or lithographed.

WINDING UP

271. Subject to the provisions of the Act and Applicable Law:

271.1. 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, but subject to the rights attached to any preference Share Capital, divide among the contributories in specie any part of the assets of the Company and may with the like sanction vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories as the Liquidator, with the like sanction shall think fit.

271.2. 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.

271.3. 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.

BONAFIDE EXERCISE OF MEMBERSHIP RIGHTS

272. Every Member and other Security holder will use rights of such Member/ Security holder as conferred by Applicable Law or these Articles bonafide, in best interest of the Company or for protection of any of the proprietary interest of such Member/security holder, and not for extraneous, vexatious or frivolous purposes. The Board shall have the right to take appropriate measures, and in case of persistent abuse of powers, expulsion of such Member or other Security holder, in case any Member/Security holder abusively makes use of any powers for extraneous, vexatious or frivolous purposes

INDEMNITY

273. For the purpose of this Article, the following expressions shall have the meanings respectively assigned below:

273.1. **“Claims”** means all claims for fine, penalty, amount paid in a proceeding for compounding or immunity proceeding, actions, prosecutions, and proceedings, whether civil, criminal or regulatory;

273.2. **“Indemnified Person”** shall mean any Director, officer or employee of the Company, as determined by the Board, who in bonafide pursuit of duties or functions or of honest and reasonable discharge any functions as a Director, officer or employees, has or suffers any Claims or Losses, or against whom any Claims or Losses are claimed or threatened;

273.3. **“Losses”** means any losses, damages, cost and expense, penalties, liabilities, compensation or other awards, or any settlement thereof, or the monetary equivalent of a non-monetary suffering, arising in connection with any Claim;

Indemnification

274. Where Board determines that any Director, officer or employee of the Company should be an Indemnified Person herein, the Company shall, to the fullest extent and without prejudice to any other indemnity to which the Indemnified Person may otherwise be entitled, protect, indemnify and hold the Indemnified Person harmless in respect of all Claims and Losses, arising out of, or in connection with, the actual or purported exercise of, or failure to exercise, any of the Indemnified Person’s powers, duties or responsibilities as a Director or officer of the Company or of any of its subsidiaries, together with all reasonable costs and expenses (including legal and professional fees).

275. The Company shall further indemnify the Indemnified Person and hold him harmless on an ‘as incurred’ basis against all legal and other costs, charges and expenses reasonably incurred in defending Claims including, without limitation, Claims brought by, or at the request of, the Company and any investigation into the affairs of the Company by any judicial, governmental, regulatory or other body.

276. The indemnity herein shall be deemed not to provide for, or entitle the Indemnified Person to, any indemnification against:

276.1. Any liability incurred by the Indemnified Person to the Company due to breach of trust, breach of any statutory or contractual duty, fraud or personal offence of the Indemnified Person;

276.2. Any liability arising due to any benefit wrongly availed by the Indemnified Person;

276.3. Any liability on account of any wrongful information or misrepresentation done by the Indemnified Person

277. The Indemnified Person shall continue to be indemnified under the terms of the indemnities in this Deed notwithstanding that he may have ceased to be a Director or officer of the Company or of any of its subsidiaries.

SECRECY

278. Every manager, Auditor, trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Board of Directors, before entering upon the duties, sign a declaration pledging himself to observe strict secrecy respecting all bonafide transactions of the Company with its customers and the state of accounts 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 general meeting or by the law of the country and except so far as maybe necessary in order to comply with any of the provisions in these Presents and the provisions of the Act.

279. Subject to the provisions of these Articles and the Act, no member, or other person (not being a Director) shall be entitled to enter the property of the Company or to inspect or to examine the Company’s premises or properties of the Company without the permission of the Directors or to require discovery of or any information respecting any detail of the Company’s trading or any matter which is or may be in the nature of a trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Directors it will be expedient in the interest of the Company to communicate.

**The name of the Company is hereby changed from Neelam Linens and Garments (India) Private Limited to Neelam Linens and Garments (India) Limited by deletion of the word “Private” from the name of the Company. Altered by special resolution passed in the Extra Ordinary General Meeting held on 12th August 2022.*

SECTION XI – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts, not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Red Herring Prospectus, which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus, will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company from date of filing the Red Herring Prospectus with RoC to Offer Closing Date on Working Days from 10.00 a.m. to 5.00 p.m.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other applicable laws.

Material Contracts

1. Issuer Agreement dated May 20, 2024 between our Company and the Book Running Lead Manager to the Issue.
2. Registrar to the Issue Agreement dated April 30, 2024 executed between our Company and the Registrar to the Issue.
3. Banker to the Issue/ Sponsor Bank Agreement dated [●] among our Company, Book Running Lead Manager, Banker to the Issue and the Registrar to the Issue.
4. Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
5. Underwriting Agreement dated [●] between our Company, Book Running Lead Manager and Underwriter.
6. Syndicate Agreement dated [●] among our Company, the BRLM and Syndicate Member.
7. Tripartite Agreement dated August 22, 2022 among CDSL, the Company and the Registrar to the Issue.
8. Tripartite Agreement dated August 22, 2022 among NDSL, the Company and the Registrar to the Issue.

Material Documents

1. Certified copies of the Memorandum and Articles of Association of the Company as amended.
2. Certificate of Incorporation dated September 01, 2022 pursuant to consequent upon conversion into public limited company issued by the Registrar of Companies, Mumbai.
3. Copy of the Board Resolution dated March 22, 2024 authorizing the Issue and other related matters.
4. Copy of Shareholder's Resolution dated April 13, 2024 authorizing the Issue and other related matters.
5. Copies of Audited Financial Information of our Company for the financial year ended December 31, 2023, March 2023, March 31, 2022 and March 31, 2021.
6. Statutory Peer Auditors Report dated March 20, 2024 on the Restated Financial Information for the nine months ended on December 31, 2023 and for the financial years ended March 31, 2023, 2022 and 2021.
7. Copy of the Statement of Special Tax Benefits dated May 13, 2024 issued by MASD & Co. LLP.
8. Certificate on KPIs issued by MASD & Co. LLP, dated May 13, 2024.
9. Consents of the Our Directors, Promoters, Company Secretary & Compliance Officer, Chief Financial Officer, Peer Review and Statutory Auditor, Key Managerial Personnel, Senior Management Personnel, Banker(s) to the Company, Registrar to the Issue, Legal Advisor, Book Running Lead Manager, Underwriters*, Market Maker*, Syndicate Member* and Escrow Collection Bank(s)/ Refund Bank(s)/ Public Issue Account Bank(s)/ Sponsor Bank(s)* to act in their respective capacities.
** The aforesaid will be appointed prior to filing of the Prospectus with RoC and their consents as above would be obtained prior to the filing of the Prospectus with RoC.*
10. Board Resolution dated May 24, 2024 for approval of Draft Red Herring Prospectus, dated [●] for approval of Red Herring Prospectus and dated [●] for approval of Prospectus.
11. Due Diligence Certificate from Book Running Lead Manager dated May 24, 2024.
12. Copy of In-Principle approval from National Stock Exchange of India Limited vide letter no [●] dated [●], to use the name of National Stock Exchange of India Limited in this issue Document for listing of Equity Shares on Emerge Platform of National Stock Exchange of India Limited ("NSE Emerge").

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholder's subject to compliance of the provisions contained in the Companies Act and other relevant statutes

DECLARATION

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE MANAGING DIRECTOR

Sd/-

Bhavin Jethwa
Managing Director

Place: Mumbai

Date: May 24, 2024

DECLARATION

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE WHOLE-TIME DIRECTOR

Sd/-

Kantilal Jethva

Whole-Time Director

Place: Mumbai

Date: May 24, 2024

DECLARATION

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE NON- EXECUTIVE DIRECTOR

Sd/-

Dinkal Doshi

Non- Executive Director

Place: Mumbai

Date: May 24, 2024

DECLARATION

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE NON- EXECUTIVE INDEPENDENT DIRECTOR

Sd/-

Manish Kamalia

Non- Executive Independent Director

Place: Mumbai

Date: May 24, 2024

DECLARATION

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE NON- EXECUTIVE INDEPENDENT DIRECTOR

Sd/-

Falguni Shah

Non- Executive Independent Director

Place: Mumbai

Date: May 24, 2024

DECLARATION

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER

Sd/-

Chetan Solanki

Chief Financial Officer

Place: Mumbai

Date: May 24, 2024

DECLARATION

I hereby certify and declare that all relevant provisions under the Companies Act and the rules, regulations or guidelines issued by the Government or the regulations, rules or guidelines issued by SEBI established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or the rules or regulations made thereunder or guidelines issued, as the case may be. I further certify that all disclosures made in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE COMPANY SECRETARY AND COMPLIANCE OFFICER

Sd/-

Supriya Gupta

Company Secretary and Compliance Officer

Place: Mumbai

Date: May 24, 2024