



BELLA CASA FASHION & RETAIL LIMITED


Our Company was incorporated as Gupta Fabtex Private Limited on February 05, 1996 under the provisions of Companies Act, 1956 with Registrar of Companies, Jaipur, Rajasthan. Pursuant to Shareholders Resolution passed at the Annual General Meeting held on June 29, 2015, the name of our Company was changed to “**Bella Casa Fashion & Retail Private Limited**” vide a fresh Certificate of Incorporation dated July 15, 2015 issued by the Registrar of Companies, Jaipur, Rajasthan. Further pursuant to Shareholders resolution passed at the Extra Ordinary General Meeting of the Company held on July 15, 2015, Our Company was converted into a public limited company and the name was changed to “Bella Casa Fashion & Retail Limited” and a fresh Certificate of Incorporation dated July 31, 2015 was issued by the Registrar of Companies, Jaipur, Rajasthan.

Registered & Corporate Office: E-102, 103, EPIP, Sitapura Industrial Area, Jaipur-302022, Rajasthan, India

Tel No: 91-0141-6500271, 6500277; **Website:** www.bellacasa.in

Contact Person: Ms. Sonika Gupta (Company Secretary & Compliance Officer), **E-mail:** cs@bellacasa.in

Corporate Identity Number: - L17124RJ1996PLC011522

OUR PROMOTERS: Mr. Harish Kumar Gupta, Mr. Pawan Kumar Gupta, Mr. Saurav Gupta and Mr. Gaurav Gupta	
FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY ONLY	
ISSUE OF UP TO [•] FULLY PAID-UP EQUITY SHARES WITH A FACE VALUE OF ₹ 10/- EACH (“RIGHTS EQUITY SHARES”) OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [•] /- EACH INCLUDING A SHARE PREMIUM OF ₹ [•] PER RIGHTS EQUITY SHARE (“ISSUE PRICE”) FOR AN AGGREGATE AMOUNT UP TO ₹ 495 LAKHS ON A RIGHTS BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF [•] RIGHTS EQUITY SHARES FOR EVERY [•] FULLY PAID-UP EQUITY SHARES HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON [•], [•] (THE “ISSUE”). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS [•] TIMES THE FACE VALUE OF THE EQUITY SHARES.	
WILFUL DEFAULTERS	
Neither our Company, our Promoters nor Directors are categorized as Wilful Defaulters or Fraudulent Borrowers.	
GENERAL RISK	
Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the 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 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 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 contents of this Draft Letter of Offer. Specific attention of the investors is invited to “ <i>Risk Factors</i> ” beginning on page 20 of this Draft Letter of Offer before making an investment in this Issue.	
ISSUER’S ABSOLUTE RESPONSIBILITY	
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of this Issue, that the information contained in this Draft Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.	
LISTING	
The existing Equity Shares of our Company are listed and traded on the BSE Limited. Our Company has received in-principle approvals from BSE for listing of the Right Shares pursuant to their letters dated [•].	
REGISTRAR TO THE ISSUE	
	
Kfin Technologies Limited Selenium, Tower B, Plot No- 31 & 32, Financial District, Nanakramguda, Serilingampally, Rangareddi, Hyderabad, Telangana, India, 500032 Email: bellacasa.rights@kfintech.com Investor grievance email: inward.ris@kfintech.com Website: https://www.kfintech.com/ Contact Person: Mr. Murali Krishna SEBI Registration No.: INR000000221	
ISSUE PROGRAMME	
ISSUE OPENS ON	[•]*
LAST DATE FOR MARKET RENUNCIATION	[•]*
ISSUE CLOSES ON	[•]**

**Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.*

***Our Board or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Letter of Offer uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended, supplemented or re-enacted from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

The words and expressions used in this Draft Letter of Offer but not defined herein shall have, to the extent applicable, the same meaning ascribed to such terms under the SEBI (ICDR) Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder. Further, Issue related terms used but not defined in this Draft Letter of Offer shall have the meaning ascribed to such terms under the General Information Document.

The following list of certain capitalized terms used in this Draft Letter of Offer is intended for the convenience of the reader/prospective Applicant only and is not exhaustive.

Notwithstanding the foregoing, the terms used in “*Industry Overview*”, “*Financial Information*”, “*Outstanding Litigation and Material Developments*” and “*Terms of Issue*” beginning on pages 59, 85, 132 and 143 respectively, shall have the meaning ascribed to them in the relevant section.

General Terms

Term	Description
“our Company” or “the Company”	Bella Casa Fashion & Retail Limited, a public limited company incorporated under the Companies Act, 1956 and having its Registered Office at E-102, 103, EPIP, Sitapura Industrial Area, Jaipur, Rajasthan, 302022
“we”, “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company

Company related terms

Term	Description
AoA /Articles of Association/ Articles	Unless the context otherwise requires, refers to the Articles of Association of our Company, as amended from time to time.
Audit Committee	The audit committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “ <i>Our Management</i> ” on page 76
Auditors/ Statutory Auditors	The statutory auditors of our Company, currently being M/s. Kalani & Company, Chartered Accountants
Board/ Board of Directors	Board of Directors of our Company, as described in “ <i>Our Management</i> ” on page 76
Chief Financial Officer/ CFO	Chief Financial Officer of our Company, being Mr. Naresh Manwani
Company Secretary and Compliance Officer	Company Secretary and Compliance Officer of our Company, being Ms. Sonika Gupta
CSR Committee/ Corporate Social Responsibility Committee	Corporate Social Responsibility Committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013, and as described in “ <i>Our Management</i> ” on page 76
Director(s)	Directors on our Board as described in “ <i>Our Management</i> ” on page 76
Equity Shares	The equity shares of our Company of face value of ₹ 10 each.

Term	Description
Executive Director(s)/ Whole-time Directors(s)	Executive Directors or Whole-time Directors(s) on our Board, as described in “ <i>Our Management</i> ” on page 76
Independent Directors	Independent directors on our Board, and who are eligible to be appointed as independent directors under the provisions of the Companies Act and the SEBI Listing Regulations. For details of the Independent Directors, please see “ <i>Our Management</i> ” on page 76
KMP/ Key Managerial Personnel	Key Managerial Personnel of our Company in accordance with Regulation 2(1) (bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 as applicable and as further disclosed in “ <i>Our Management</i> ” on page 76
Managing Director	The Managing Director of our Company i.e., Mr. Pawan Kumar Gupta
MOA/ Memorandum of Association	The memorandum of association of our Company, as amended from time to time.
Nomination and Remuneration Committee	Nomination and Remuneration Committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “ <i>Our Management</i> ” on page 76
Promoter Group	Such individuals and entities which constituting the promoter group of our Company, pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations
Promoters	The promoters of our Company, being Mr. Harish Kumar Gupta, Mr. Pawan Kumar Gupta, Mr. Saurav Gupta and Mr. Gaurav Gupta.
Registered Office	The Registered Office of our Company, situated at E-102, 103, EPIP, Sitapura Industrial Area, Jaipur, Rajasthan, 302022
ROC/Registrar of Companies	The Registrar of Companies, Jaipur, Rajasthan
Shareholder(s)	Shareholders of our Company, from time to time
Stakeholders Relationship Committee	Stakeholders’ Relationship Committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, and as described in “ <i>Our Management</i> ” on page 76
Subsidiary	Subsidiary as defined under section 2(87) of Companies Act, 2013
Units I	Unit I of our company located at E-102, EPIP, Sitapura Industrial Area, 302022 H-83, Sitapura Industrial Area, Jaipur- 302022
Unit II	Unit II of our Company located at E-103, EPIP, Sitapura Industrial Area, 302022
Unit III	Unit III of our Company located at G-273/274, Sitapura Industrial Area, Jaipur- 302022.
Unit IV	Unit IV of our Company located at H-83, Sitapura Industrial Area, Jaipur- 302022
Unit V	Unit V of our Company located at G1-31, Sitapura Industrial Area, 302022

Issue Related Terms

Term	Description
Abridged Letter of Offer	Abridged Letter of Offer to be sent to the Eligible Shareholders with respect to the Issue in accordance with the provisions of the SEBI (ICDR) Regulations and the Companies Act.
Additional Rights Shares	The Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement.
Allot/ Allotted	Allotment of Equity Shares pursuant to the Issue.

Term	Description
Allotment Advice	A note or advice or intimation of Allotment sent to all the Investors who has been allotted or is to be allotted the Equity shares in the Issue after approval of the Basis of Allotment by the Designated Stock Exchange.
Allotment Date	Date on which the Allotment is made pursuant to the Issue.
Allottee	A successful Investor to whom the Equity Shares are Allotted
Applicant(s) / Investor(s)	Eligible Equity Shareholder(s) and/or Renouncee(s) who make an application for the Rights Equity Shares pursuant to the Issue in terms of the Draft Letter of Offer, including an ASBA Applicant.
Application Form	Unless the context otherwise requires, an application form (including online application form available for submission of application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Applicant to make an application for the Allotment of Rights Equity Shares in this Issue.
Application Money	Aggregate amount payable at the time of Application ₹ 4995 lakhs (Rupees Four Thousand Nine hundred and Ninety-Five Lakhs Only) in respect of the Right Shares applied for in this Issue at the Issue Price;
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by ASBA Applicants to make an application authorizing a SCSB to block the Application Money in the ASBA Account.
ASBA Account	Account maintained with a SCSB and specified in the Application Form or plain paper application, as the case may be, for blocking the amount mentioned in the Application Form or the plain paper application, in case of Eligible Equity Shareholders, as the case may be.
ASBA Circulars	Collectively, the SEBI circulars bearing reference numbers 'SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009', 'CIR/CFD/DIL/1/2011 dated April 29, 2011', and 'SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020';
Banker(s) to the Issue/Refund Bank	Collectively, the Escrow Collection Bank(s), Refund Bank(s) to the issue, in this case being [●], Sponsor Bank and Public Issue Account Bank(s), as the case may be
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Applicants under the Issue and as described in "Terms of the Issue" beginning on page 143
Client ID	Client identification number maintained with one of the Depositories
Controlling Branches/Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and / or such other website(s) as may be prescribed by the SEBI / Stock Exchange(s) from time to time
Designated Branches	Such branches of the SCSBs which shall collect the Application Form or the plain paper Application, as the case may be, used by the Investors and a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time read with the Depositories Act, 1996;
Designated Stock Exchange	BSE Limited
Draft Letter of Offer/ DLOF	This Draft Letter of Offer dated August 16, 2024
Eligible Equity Shareholder(s)	Holder(s) of Equity Shares of our Company as on the Record Date

Term	Description
Equity Share Capital	Equity Share capital of our Company
Escrow Account(s)	One or more no-lien and non-interest bearing accounts with the Escrow Collection Bank(s) for the purposes of collecting the Application Money from resident Investors making an Application through the ASBA
Issue/ Rights Issues	Issue of up to [●] fully paid up equity shares with a face value of ₹ 10 each at a premium of ₹ [●] per Equity Share for an amount aggregating up to ₹ 4995 lakhs (Rupees Four Thousand Nine hundred and Ninety-Five Lakhs Only) on a rights basis to the existing Equity Shareholders in the ratio of [●] Equity Share for every [●] fully paid-up Equity Share(s) (i.e., [●]) held by the existing Equity Shareholders on the Record Date. The issue price is [●] times the face value of the Equity Shares.
Issue Price	₹[●]/- (Rupees [●]) per Right Equity Share issued in 1 (One) Rights Entitlement, (i.e. ₹[●]/- (Rupees [●]) per Rights Equity Share, including a premium of ₹[●]/- (Rupees [●]) per Rights Equity Share);
Issue Opening Date	[●]
Issue Closing Date	[●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants/Investors can submit their applications, in accordance with the SEBI ICDR Regulations.
Issue Proceeds	The proceeds of the Issue shall be available to our Company. For further information about the use of the Issue Proceeds, please see “ <i>Objects of the Issue</i> ” beginning on page 51
Letter of Offer/LOF	The final letter of offer to be filed with the BSE after incorporating the BSE observations received from the BSE on the Draft Letter of Offer;
Listing Agreement	The listing agreements entered into between our Company and the Stock Exchanges in terms of the SEBI Listing Regulations.
Multiple Application Forms	Multiple application forms submitted by an Eligible Equity Shareholder/Renouncee in respect of the Rights Entitlement available in their demat account. However supplementary applications in relation to further Equity Shares with/without using additional Rights Entitlement will not be treated as multiple application
Non-ASBA Investor	Investors other than ASBA Investors who apply in the Issue otherwise than through the ASBA process
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs registered with SEBI
ODR	Online Dispute Resolution
Off Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Depositories, from time to time, and other applicable laws.
On Market Renunciation	The renunciation of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchanges through a registered Stock Broker in accordance with the SEBI Rights Issue Circulars and the circulars issued by the Stock Exchanges, from time to time, and other applicable laws, on or before [●].
Qualified Institutional Buyers/ QIBs/ QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Record Date	A record date fixed by our Company for the purposes of determining the names of the Equity Shareholders who are eligible for the issue of Rights Equity Shares i.e. [●]

Term	Description
Refund Bank(s)	The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this case being [●]
Renounees	Any persons who have acquired Rights Entitlements from the Equity Shareholders through renunciation;
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on [●], [●] in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounee prior to the issue closing date.
Registrar Agreement	The agreement entered into amongst our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
Registrar to the Issue/ Registrar	KFin Technologies Limited
Retail Individual Investors or RII(s)	An individual Investor (including an HUF applying through Karta) who has applied for Rights Equity Shares and whose Application Money is not more than ₹2,00,000 in the Issue as defined under Regulation 2(1)(vv) of the SEBI ICDR Regulations.
Rights Entitlement(s)	The number of Equity Shares that an Investor is entitled to in proportion to the number of Equity Shares held by the Investor on the Record Date, in this case being [●] Equity Shares for every [●] Equity Shares held by an Eligible Equity Shareholder. The Rights Entitlement with a separate ISIN [●] will be credited to Eligible Equity Shareholder's demat account before Issue Opening Date, against the Equity Shares held by the Equity Shareholders as on the Record Date.
Rights Entitlement Letter/ Entitlement Letter	Letter including details of Rights Entitlements of the Eligible Equity Shareholders
Rights Equity Shares	Equity Shares of our Company to be allotted pursuant to this Issue, on fully paid-up basis
SCORES	Securities and Exchange Board of India Complaints Redress System
SEBI Listing Regulations/ SEBI (LODR) Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
SEBI Master Circular	Master circular dated June 21, 2023 issued by the Securities and Exchange Board of India in order to enable stakeholders to have access to all circulars/directions issued under the relevant provisions of the SEBI ICDR Regulations, 2018 at one place.
SEBI Regulations/ SEBI ICDR Regulations	The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments thereto
SEBI Takeover Regulations/ Takeover Code/ Regulations	The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto
SEBI Rights Issue Circulars	Collectively, SEBI circular, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, bearing reference number SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020 and the SEBI circular bearing reference number SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022 and any other circular(s) issued by SEBI in this regard.
Stock Exchanges	Stock Exchanges where the Equity Shares of the Company are presently listed, BSE Limited

Term	Description
Self-Certified Syndicate Bank(s)/SCSB(s)	A Self Certified Syndicate Bank registered with SEBI under the SEBI (Banker to an Issue) Regulations, 1994 and offers the facility of ASBA, including blocking of bank account. A list of all SCSBs is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes
Working Day	All days on which commercial banks in Jaipur, India are open for business. Further in respect of Issue Period “Working Day” shall mean all days, excluding Saturdays, Sundays and public holidays on which commercial banks in Jaipur, Rajasthan, India is open for business. Furthermore, the time period between the Issue Closing Date and listing of the Equity Shares on Stock Exchanges, “Working Day” shall mean all trading days of Stock Exchanges excluding Sundays and bank holidays in India in accordance with circulars issued by SEBI

Conventional and General Terms and Abbreviations

Term	Description
A/c	Account
AGM	Annual general meeting
AI	Artificial Intelligence
AIFs	Alternative investment funds as defined in and registered under the SEBI AIF Regulations
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Calendar Year or year	Unless the context otherwise requires, shall refer to the twelve-month period ending December 31
CDSL	Central Depository Services (India) Limited
Companies Act, 1956	Companies Act, 1956, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
Companies Act, 2013/ Companies Act	Companies Act, 2013 and the rules, regulations, notifications, modifications and clarifications thereunder
Competition Act	Competition Act, 2002, and the rules, regulations, notifications, modifications and clarifications made thereunder, as the context requires
CST	Central Sales Tax
Depositories Act	Depositories Act, 1996
Depository or Depositories	NSDL and CDSL
DIN	Director Identification Number
DP ID	Depository Participant’s Identification Number
DP/ Depository Participant	A depository participant as defined under the Depositories Act
DPIIT	The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
EGM	Extraordinary General Meeting
EMS	Environmental Management System
EOU	Export Oriented Unit
EPS	Earnings per share
EUR/ €	Euro
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, including the rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year/ Fiscal/ FY/ F.Y.	Period of twelve months ending on March 31 of that particular year, unless stated otherwise

Term	Description
FPI(s)	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors as defined under SEBI FVCI Regulations
FVTPL	Fair Value Through Profit or Loss
FY	Financial Year
GDP	Gross Domestic Product
GOI	Government of India
GST	Goods and services tax
GVA	Gross value added
HUF	Hindu undivided family
I.T. Act	The Income Tax Act, 1961, as amended
IBC	Insolvency and Bankruptcy Code
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Ind AS	The Indian Accounting Standards notified under Section 133 of the Companies Act and referred to in the Ind AS Rules
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015
Indian GAAP	Generally Accepted Accounting Principles in India notified under Section 133 of the Companies Act, 2013 and read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016
INR	Indian National Rupee
IRDAI	Insurance Regulatory Development Authority of India
IT	Information technology
ITC	Input Tax Credit
LC	Letter of Credit
MAT	Minimum Alternate Tax
MCA	Ministry of Corporate Affairs, Government of India
Mn/ mn	Million
MSME	Micro, Small & Medium Enterprises
Mutual Fund(s)	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NCDs	Non-Convertible Debentures
NEFT	National Electronic Fund Transfer
NFE	Net Foreign Exchange
NPCI	National Payments Corporation of India
NRE Account	Non-resident External Account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NRI/ Non-Resident Indian	A person resident outside India who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2016 or is an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non-resident ordinary account established in accordance with the Foreign Exchange Management (Deposit) Regulations, 2016
NSDL	National Securities Depository Limited
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts in which not less than 60% of the beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003, and

Term	Description
	immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in the Issue
P/E Ratio	Price/earnings ratio
PAN	Permanent account number allotted under the I.T. Act
QMS	Quality Management System
R&D	Research and Development
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RONW	Return on Net Worth
Rs./ Rupees/ ₹ / INR	Indian Rupees
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Mutual Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to SEBI AIF Regulations
State Government	Government of a State of India
STT	Securities Transaction Tax
TCS	Tax Collected at Sources
TDS	Tax Deducted at Sources
US GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	U.S. Securities Act of 1933, as amended
USA/ U.S. / US	The United States of America
USD / US\$	United States Dollars
VCFs	Venture capital funds as defined in, and registered with SEBI under, the SEBI VCF Regulations
Wilful Defaulter or Fraudulent Borrower	Wilful Defaulter or Fraudulent Borrower as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations

NOTICE TO INVESTORS

The distribution of the Draft Letter of Offer, the, Application Form and Rights Entitlement Letter and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Draft Letter of Offer, Letter of Offer, or Application Form may come are required to inform themselves about and observe such restrictions.

Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will dispatch the Letter of Offer / and Application Form and Rights Entitlement Letter only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address to our Company, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas Eligible Equity Shareholders who do not communicate with the Registrar to the Issue in the manner provided in the chapter titled “*Terms of the Issue*” and on the website of the Registrar to the Issue at www.kfintech.com to update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to dispatch the Letter of Offer / and Application Form and Rights Entitlement Letter, shall not be sent the Letter of Offer/ and Application Form and Rights Entitlement Letter.

Investors can also access the Draft Letter of Offer, the Letter of Offer and the Application Form from the websites of our Company, the Registrar and the Stock Exchange.

Our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials, including the Letter of Offer, the Rights Entitlement Letter and the Application Form, in the event the Issue Materials have been sent on the registered email addresses of such Eligible Equity Shareholders.

No action has been or will be taken to permit the Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and the Draft Letter of Offer, the Letter of Offer or any offering materials or advertisements in connection with the Issue may not be distributed, in whole or in part, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Draft Letter of Offer, the Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Draft Letter of Offer, the Letter of Offer and the Application Form must be treated as sent for information purposes only and should not be acted upon for subscription to the Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of the Draft Letter of Offer, the Letter of Offer or Application Form should not in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Draft Letter of Offer, the Letter of Offer to any person outside India where to do so, would or might contravene local securities laws or regulations. If the Draft Letter of Offer, the Letter of Offer or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares or the Rights Entitlements referred to in the Draft Letter of Offer and the Letter of Offer. Envelopes containing an Application Form and Rights Entitlement Letter should not be dispatched from the jurisdiction where it would be illegal to make an offer and all the person subscribing for the Equity Shares in the Issue must provide an Indian address.

Any person who makes an application to acquire the Rights Entitlements or the Rights Equity Shares offered in the Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlements or the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction.

Neither the delivery of the Draft Letter of Offer, the Letter of Offer, Application Form and Rights Entitlement Letter nor any sale hereunder, shall, under any circumstances, create any implication that there

has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained is correct as at any time subsequent to the date of the Draft Letter of Offer, the Letter of Offer and the Application Form and Rights Entitlement Letter or the date of such information.

THE CONTENTS OF THE DRAFT LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. IN ADDITION, OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the United States Securities Act, 1933, as amended ("Securities Act"), or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof ("United States" or "U.S.") or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act ("Regulation S")), except in a transaction exempt from the registration requirements of the Securities Act. The Rights Entitlements referred to in this Draft Letter of Offer are being offered in India, but not in the United States. The offering to which this Draft Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any securities or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities or rights.

Neither our Company nor any person acting on our behalf will accept a subscription or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on our behalf has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares Issue and wishing to hold such Equity Shares in registered form must provide an address for registration of these Equity Shares in India. Our Company is making the Issue on a rights basis to Eligible Equity Shareholders and the Letter of Offer / and Application Form and Rights Entitlement Letter will be dispatched only to Eligible Equity Shareholders who have an Indian address.

Any person who acquires Rights Entitlements and the Rights Equity Shares will be deemed to have declared, represented, warranted and agreed that, it is not and that at the time of subscribing for such Rights Equity Shares or the Rights Entitlements, it will not be, in the United States, and it is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations.

Our Company reserves the right to treat any Application Form as invalid which:

- i. Does not include the certification set out in the Application Form to the effect that the subscriber is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations;
- ii. Appears to us or our agents to have been executed in or dispatched from the United States;
- iii. Where a registered Indian address is not provided; or

- iv. Where our Company believes that Application Form is incomplete, or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and
- v. Our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Rights Entitlements may not be transferred or sold to any person in the United States.

PRESENTATION OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references to “India” contained in this Draft Letter of Offer are to the Republic of India and its territories and possessions. All references to the “Government”, “Indian Government”, “GOI”, “Central Government” or the “State Government” are to the Government of India, Central or State, as applicable. All references to the “U.S.”, “US”, “U.S.A” or “United States” are to the United States of America and its territories and possessions.

Unless otherwise specified, any time mentioned in this Draft Letter of Offer is in Indian Standard Time (“IST”). Further, unless stated otherwise, all references to page numbers in this Draft Letter of Offer are to the page numbers of this Draft Letter of Offer.

Financial Data

Unless stated or the context requires otherwise, the financial information in this Draft Letter of Offer is derived from our Restated Financial Statements. The Restated Financial Statement included in this Draft Letter of Offer comprises of the Restated financial Statements of our Company, which comprise of the summary of assets and liabilities as at March 31, 2024, March 31, 2023 and March 31, 2022 prepared in accordance with IND AS and restated by Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, SEBI ICDR Regulations and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India, each as amended. For further information, please see “*Financial Information*” beginning on page 85.

Our Company’s financial year commences on April 1 and ends on March 31 of that particular calendar year. Accordingly, all references to a particular financial year or fiscal, unless stated otherwise, are to the 12 months period ended on March 31 of such years. Unless stated otherwise, or the context requires otherwise, all references to a “year” in this Draft Letter of Offer are to a calendar year.

There are significant differences between Ind AS, Indian GAAP, U.S. GAAP and IFRS. Our Company does not provide a reconciliation of its financial statements with Indian GAAP, IFRS or U.S. GAAP requirements. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Letter of Offer and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. For further details in connection with risks involving differences between Ind AS and other accounting principles, please see “*Risk Factors*” on page 20.

Unless the context otherwise requires or indicates, any percentage amounts (excluding certain operational metrics), as set forth in “*Risk Factors*” and “*Our Business*” on pages 20 and 68 respectively, and elsewhere in this Draft Letter of Offer have been derived from the Restated Financial Statements.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. Except as otherwise stated, all figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Currency and Units of Presentation

All references to “Rupees” or “₹” or “Rs.” are to Indian Rupees, the official currency of the Republic of India.

All references to “US\$”, “US Dollar”, or “USD” are to United States Dollars, the official currency of the United States of America.

In this Draft Letter of Offer, our Company has presented certain numerical information. All figures have been expressed in lakhs. One lakh represents ‘lakhs’ or 100,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than lakhs, such figures appear in this Draft Letter of Offer expressed in such denominations as provided in their respective sources.

Exchange Rates

This Draft Letter of Offer contains conversion 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.

Unless otherwise stated, the exchange rates referred to for the purpose of conversion of foreign currency amounts into Indian Rupee, are as follows.

(in ₹)

Currency	[Prior Date of submission of DLOF]	Exchange Rate as on	
		March 31,2024	March 31, 2023
1 USD	83.94	83.38	82.22

Source: <https://www.rbi.org.in/scripts/ReferenceRateArchive.aspx>

FORWARD-LOOKING STATEMENTS

This Draft Letter of Offer contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import but are not the exclusive means of identifying such statements. Similarly, statements that describe our strategies, objectives, plans, goals, future events, future financial performance or financial needs are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements.

These forward-looking statements include statements as to our Company’s business strategy, planned projects, revenue and profitability (including, without limitation, any financial or operating projections or forecasts), and other matters discussed in this Draft Letter of Offer that are not historical facts. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. For the reason described below, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Therefore, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance. Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, regulatory changes pertaining to the industries in India in which we operate 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 which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence 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 and changes in competition in the industries in which we operate.

Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- (i) Impact on our business growth, operations and financials because of any change in government policies or quality norms by our customers.
- (ii) Failure in generating new clients for new product, pails due to competition and other commercial factors;
- (iii) Failure to comply with quality standard as per requirements of customers while manufacturing products;
- (iv) Changes in laws and regulations relating to the sectors and industry in which we operate
- (v) Increased competition in industries and sector in which we operate;
- (vi) Occurrence of natural disasters or calamities affecting the areas in which we have operations;
- (vii) Inability to obtain and / or maintain sufficient cash flow, credit facilities and other sources of funding in a timely manner to meet our requirements of working capital or payment of our debts;
- (viii) Failure to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required to operate our business;
- (ix) Failure to anticipate and develop new value-added products and enhance existing products in order to keep pace with rapid changes in customer preferences and the industry on which we focus; and

For details regarding factors that could cause actual results to differ from expectations, please see “*Risk Factors*” and “*Our Business*”, beginning on pages 20 and 68 respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance. Our Forward-looking statements reflect current views as on the date of this Draft Letter of Offer 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 Promoters, our Directors, nor any of its respective affiliates or advisors have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company will ensure that the investors in India are informed of material developments until the time of the grant of listing and trading permission by Stock Exchanges for the Issue.

SUMMARY OF DRAFT LETTER OF OFFER

The following is a general summary of the certain disclosures included in this Draft Letter of Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Letter of Offer, including the sections titled “*Risk Factors*”, “*Capital Structure*”, “*Objects of the Issue*”, “*Industry Overview*”, “*Our Business*”, “*Restated Financial Statements*”, “*Outstanding Litigation and Other Material Developments*” on pages 20, 48, 51, 59, 68, 85, 132, respectively of this Draft Letter of Offer.

Primary business of our Company

Our Company was incorporated as Gupta Fabtex Private Limited on February 5, 1996 under the provisions of Companies Act, 1956 in Registrar of Companies, Jaipur, Rajasthan. Subsequently, pursuant to a special resolution passed by the shareholders at the Annual General Meeting held on June 29, 2015, the name of the Company was changed to Bella Casa Fashion & Retail Private Limited and a fresh certificate of incorporation consequent on change of name was issued by RoC, Jaipur, Rajasthan on July 15, 2015. Further, pursuant to a special resolution passed by our shareholders at the Extra Ordinary General Meeting held on July 15, 2015 our Company was converted into a public limited company and a fresh certificate of incorporation consequent on the conversion under the Companies Act on July 31, 2015 was obtained from RoC, Jaipur, Rajasthan.

Our Company is engaged in manufacturing and dealing of Bed sheets, Quilts, home furnishing textile items, printed/dyed furnishing fabrics and garments and all kind of suitings, shirting’s, sarees, dress materials, Fabrics, Textiles, Ready-made garments, cloth made-ups suitings, home furnishings, home textile, all fabrics including cotton, , linen, hemp, jute, wool, polysterm, synthetic acrylics, silk, artificial silk, rayon, manmade synthetic, fibers, staple synthetic yarn and other fibrous material, allied products, by-products. We are popularly known and identified in apparel market by our brand name “Bella Casa”. Our Company is known for its attractive product development, large-scale production, cost-conscious manufacturing, on-time delivery and consistent quality. For further information, please see “*Our Business*” on page 68.

Industry in which our Company operates

India is the one of the world's largest producers of textiles and garments. Abundant availability of raw materials such as cotton, wool, silk and jute as well as skilled workforce have made the country a sourcing hub. It is the world's second largest producer of textiles and garments. The textiles industry has made a major contribution to the national economy in terms of direct and indirect employment generation and net foreign exchange earnings. The textiles sector is the second largest provider of employment after agriculture. Thus, the growth and all round development of this industry has a direct bearing on the improvement of India's economy. It is also one of the largest contributing sectors of India’s exports. The textiles industry is labour intensive and is one of the largest employers. For further information, please see “*Industry Overview*” beginning on page 59.

Name of Promoters

As on the date of this Draft Letter of Offer, our Promoters are Mr. Harish Kumar Gupta, Mr. Pawan Kumar Gupta, Mr. Gaurav Gupta and Mr. Saurav Gupta.

Issue Size

Issue	Issue of up to [●] Fully paid-up Equity Shares aggregating up to ₹ 4995 lakhs (Rupees Four Thousand Nine hundred and Ninety-Five Lakhs Only)
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The Issue has been authorised by our Board pursuant to resolution dated August 16, 2024.

Objects of the Issue

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

(in ₹ lakhs)

Particulars	Amount
To make capital expenditures (Construction and leasing of manufacturing space, Acquisition of advanced manufacturing technologies, Modernization and Expansion of Manufacturing Capabilities, and Establishment of a Design Studio)	3,000
Working Capital Requirements of the Company	1,500
General corporate purposes*	[●]
Total	[●]

*To be finalised upon determination of the Issue Price and updated in the Letter of Offer prior to filing with the Stock Exchange. The amount utilised for general corporate purposes shall not exceed 25% of the Net Proceeds of the Issue.

For further details, please see “*Objects of the Issue*” beginning on page 51.

Aggregate pre-Issue shareholding of Promoters and Promoter Group

The aggregate pre-Issue shareholding of our Promoters and Promoter Group as a percentage of the pre-Issue paid-up equity share capital of our Company as on June 30, 2024, date being closer to date of this Draft Letter of Offer is set out below:

S. No	Name of the Shareholder	No. of Equity Shares held	% of the pre-Issue paid up Equity Share capital
Promoters			
1	Harish Kumar Gupta	11,71,414	10.21
2	Pawan Kumar Gupta	11,32,064	9.87
3	Saurav Gupta	10,01,975	8.73
4	Gaurav Gupta	10,57,000	9.21
	Total	43,62,453	38.02
Promoter Group			
1	Anita Gupta	9,80,492	8.54
2	Sunita Gupta	8,99,492	7.84
3	Shikha Gupta	7,02,500	6.12
4	Neha Gupta	7,82,525	6.82
5	Richa Agarwal	82,500	0.72
	Total (B)	34,47,509	30.04
	Total (A+B)	78,09,962	68.06

For further details, please see “*Capital Structure*” beginning on page 48.

Intention and extent of participation by our Promoter(s) and Promoter Group in the Issue:

Pursuant to the letter dated August 16, 2024, our Promoters and members of the Promoter Group, have undertaken to:

- subscribe, jointly and / or severally to the extent of their Rights Entitlements;
- subscribe, jointly and / or severally to the extent of any rights entitlement that may be renounced in their favour by any other promoters or member(s) of the promoter group of our company; and

- iii. may renounce their Right Entitlements fully or in part in favour of any third party other than the Promoters and members of the Promoter Group.

The aforementioned subscription of Rights Equity Shares and Additional Rights Shares by our Promoter, if allotted shall not result in a change of control of the management of our Company and shall not result in an obligation on our Promoter to make an open offer to the public shareholders of our Company in terms of the SEBI Takeover Regulations. Further, as on the date of this Draft Letter of Offer, our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements stipulated in the SEBI Listing Regulations and other applicable laws, pursuant to this Issue.

Summary of Financial Information

A summary of the financial information of our Company as per the Restated Financial Statements is as follows:

(in ₹ lakhs, except per share data)

Particulars	As at and for the Fiscal	
	31st March, 2024	31st March, 2023
Equity Share Capital	1,147.50	1,147.50
Net worth (1)	7,340.39	6,412.41
Revenue from operations	23,009.88	20,176.32
Profit (loss) attributable to owners of the company	1,020.55	780.70
Earnings per Equity Share (Basic) (in ₹) (2)	8.89	6.80
Earnings per Equity Share (Diluted) (in ₹) (3)	8.89	6.80
Net asset value per Equity Share (in ₹) (4)	1.46	1.33
Total Borrowings	4201.92	3754.97

- (1) "Net Worth" means the aggregate value of the paid-up share capital of our Company and all reserves created out of profits and securities premium account, as per the restated statement of assets and liabilities of our Company in the Restated Financial Statements;
- (2) Basic EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of equity shares outstanding during the year/ period
- (3) Diluted EPS = Net Profit after tax, as restated, attributable to equity shareholders divided by weighted average no. of diluted equity shares outstanding during the year/ period.
- (4) Net Asset Value per share = Net Worth at the end of the year/period divided by total number of equity shares outstanding at the end of year/ period

For further details, please see "Restated Financial Statements" on page 85.

Qualifications by the Statutory Auditors which have not been given effect to in the Restated Financial Statements

There are no qualifications by the Statutory Auditors which have not been given effect to in the Restated Financial Statements. For further details, please see "Restated Financial Statements" on page 85.

Summary of outstanding litigations

A summary of outstanding litigation proceedings involving our Company, Subsidiary, Directors and Promoters, to the extent applicable, as on the date of this Draft Letter of Offer is provided below:

(₹ in lakhs)

Sr. No.	Name of Entity	Criminal Proceedings	Tax proceedings	Statutory/Regulatory proceedings	Disciplinary actions by the SEBI or stock Exchanges against our Promoter	Material civil litigation	Aggregate amount involved
1.	Company						
	By the Company	NIL	NIL	NIL	NIL	NIL	NIL
	Against the Company	NIL	NIL	NIL	NIL	NIL	NIL
2.	Directors						
	By the Directors	NIL	NIL	NIL	NIL	NIL	NIL
	Against the Directors	NIL	NIL	NIL	NIL	NIL	NIL
3.	Promoters						
	By the Promoter	NIL	NIL	NIL	NIL	NIL	NIL
	Against the Promoter	NIL	NIL	NIL	NIL	NIL	NIL

For further details, please see “*Outstanding Litigation and Material Developments*” beginning on page 132.

Risk factors

Investors should please see “*Risk Factors*”, beginning on page 20 to have an informed view before making an investment decision.

Summary of contingent liabilities and commitments

For disclosure of contingent liabilities as per Ind AS 37 as at March 31, 2024 please see the section Financial Statements – “Note 41”.

Summary of related party transactions

For details of related party transactions of our Company, as per the requirements under Ind AS 24 ‘Related Party Disclosures’ for the financial year ending March 31, 2024 please see Financial Statements - “Note 40”.

SECTION II - RISK FACTORS

An investment in our equity shares involves a high degree of risk. Investors should carefully consider all the information in this Draft Letter of Offer, including the risks and uncertainties described below, before making an investment in our Equity Shares.

The risks described below are not the only risks relevant to us or the Equity Shares or the industries in which we currently operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our business, cash flows, prospects, results of operations and financial condition, the price of our Equity Shares could decline, and investors may lose all or part of their investment.

In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with “Our Business” and “Restated Financial Statements” on pages 68 and 85 respectively of this Draft Letter of Offer, as well as the other financial and statistical information contained in this Draft Letter of Offer. In making an investment decision, investors and purchasers of the Equity Shares must rely on their own examination of us and our business and the terms of the Issue including the merits and risks involved. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors. Potential investors and purchasers of the Equity Shares should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue.

This Draft Letter of Offer also contains certain forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Letter of Offer. Any potential investor in, and purchaser of, the Equity Shares should pay particular attention to the fact that our Company is an Indian company and is subject to a legal and regulatory environment which, in some respects, may be different from that which prevails in other countries. For further information, please see “Forward-Looking Statements” on page 14 of this Draft Letter of Offer.

Unless otherwise indicated, the financial information included herein is based on our Restated Financial Statements included in this Draft Letter of Offer. For further information, please see “Restated Financial Statements” on page 85 of this Draft Letter of Offer. We have, in this Draft Letter of Offer, included various operational and financial performance indicators, some of which may not be derived from our Financial Statements and may not have been subjected to an audit or review by our Statutory Auditors. The manner in which such operational and financial performance indicators are calculated and presented, and the assumptions and estimates used in such calculation, may vary from that used by other companies in same business as of our Company in India and other jurisdictions. Investors are accordingly cautioned against placing undue reliance on such information in making an investment decision and should consult their own advisors and evaluate such information in the context of the Restated Financial Statements and other information relating to our business and operations included in this Draft Letter of Offer.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context otherwise requires, in this section, reference to ‘we’, ‘us’, ‘our’ refers to our Company.

Materiality

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

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

The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another.

The following risk factors have been determined by our Board of Directors on the basis of their materiality. In accordance with Clause (VI) in Part B of Schedule VI of the SEBI ICDR Regulations.

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

Internal Risk Factors

Risks relating to our Business

1. ***Our operations are dependent on the supply of raw materials, such as cotton, spun and polyester yarn of different counts and twist and of right ‘micronaire’ value at a remunerative price. Such raw material is sourced from yarn spinning mills located in Northern and Southern India. Availability of our raw material depends upon availability of Cotton as a crop and any change in global weather patterns may have an adverse effect on the availability of raw materials to our suppliers.***

Our business depends on the availability of reasonably priced and high-quality raw materials in the quantities required by us. We source the raw materials from spinning mills located in Northern and Southern parts of India. The price and availability of such raw materials depend on several factors beyond our control, including overall economic conditions, production levels, market demand and competition for such materials, production of cotton and transportation cost, duties and taxes and territorial trade restrictions. Unfavourable local and global weather patterns including extremes such as drought, floods and natural disasters, may have an adverse effect on the availability of raw materials. The availability of the raw materials for our operations may be adversely affected by longer than usual periods of heavy rainfall in certain regions or a drought caused by weather patterns. For example, natural disasters, excessive rainfall. Such events may have an adverse impact on the availability and prices of raw materials for our operations, which may increase the costs of our operations as well as negatively affect our business, results of operations and financial condition. Adverse weather conditions may also result in decreased availability of water, which could impact our manufacturing operations.

2. ***Our inability to anticipate, respond to and meet the preferences or consistent quality requirements of our consumers or our inability to accurately predict and successfully adapt to changes in market demand or consumer preference could reduce demand for our products and in turn, impact our sales.***

Our results of operations and future growth plans are largely dependent upon the demand for our products. Demand for our products depends primarily on consumer-related factors such as demographics, local preferences, fashion trends, the level of consumer confidence as well as on macroeconomic factors such as the condition of the economy and per capita income. Over a period of time, there have been significant changes in consumers’ preferences in apparel and garments. Our success depends on our ability to anticipate fashion trends viz. the trends of wearing apparel in consumers and to offer affordable products that appeal to their needs and preferences in a timely manner. Consumer fashion trends and preferences often change over time, and if we are not able to anticipate, identify or develop and market products that respond to changes in consumer fashion trends and preferences, demand for our products may decline. We must, on a regular basis, keep pace with the preferences and quality requirements of our consumers, invest continuously in new technology and processes to provide products having the desired qualities and characteristics, and continually monitor and adapt to the changing market demand. An unanticipated change in consumer demand and any sudden change in Government regulations may adversely affect our liquidity and financial condition.

- 3. We require certain approvals, licenses, registrations and permits to operate our business, and failure to obtain or renew them in a timely manner or maintain the statutory and regulatory permits and approvals required to operate our business may adversely affect our operations and financial conditions.***

We require certain statutory and regulatory permits, licenses and approvals to operate our business. Though we believe that we have obtained those permits and licenses which are adequate to run our business there is no assurance that there are no other statutory/regulatory requirements which we are required to comply with. However, some of the approvals are granted for a fixed period of time and need renewal from time to time. We are required to renew such permits, licenses and approvals in time. Further, certain licenses and registrations obtained by our Company contain certain terms and conditions, which are required to be complied with. Any default by our Company in complying with the same, may result in inter alia the cancellation of such licenses, consents, authorizations and/or registrations, which may adversely affect our operations. There can be no assurance that the relevant authorities will issue or renew any of such permits or approvals in time or at all. Failure to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business.

- 4. We derive all our revenue from our Fabrics, Garments and home furnishing business segment and any reduction in demand or in the production of such products could have an adverse effect on our business, results of operations and financial condition.***

We derive all our revenue from our Fabrics, Garments and Home Furnishing business segment and any reduction in demand or in the production of such products could have an adverse effect on our business, results of operations and financial condition. Consequently, any reduction in demand or a temporary or permanent discontinuation of manufacturing of Fabrics, Garments and Home Furnishing could have an adverse effect on our business, results of operations and financial condition.

- 5. Our success depends upon our management team and skilled personnel and our ability to attract and retain such persons.***

Our future performance will be affected by the continued service of our management team and skilled personnel. We face a continuing challenge to recruit and retain enough suitably skilled personnel, particularly as we continue to grow. There is significant competition for management and other skilled personnel in the various segments of the financial services industry in which we operate, and it may be difficult to attract and retain the personnel we need in the future. The loss of key personnel may have a material and adverse effect on our business, future financial performance, results of operations and ability to grow in line with our strategy and future plans.

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

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

- 7. A slowdown or shutdown in our manufacturing operations or under-utilization of our manufacturing facilities could have an adverse effect on our business, results of operations and financial condition.***

Our business is dependent upon our ability to manage our manufacturing facilities, which are subject to various operating risks, including those beyond our control, such as the breakdown and failure of equipment or industrial accidents and severe weather conditions and natural disasters. Any significant malfunction or breakdown of our machinery may entail significant repair and maintenance costs and cause delays in our

operations. If we are unable to repair malfunctioning machinery in a timely manner or at all, our operations may need to be suspended until we procure machinery to replace the same. In addition, we may be required to carry out planned shutdowns of our units for maintenance, statutory inspections and testing, or may shut down certain units for capacity expansion and equipment upgrades. We may also face protests from local citizens at our existing units or while setting up new units, which may delay or halt our operations. Although we have not experienced any significant disruptions at our manufacturing units in the past, we cannot assure you that there will not be any disruptions in our operations in the future. Our inability to effectively respond to such events and rectify any disruption, in a timely manner and at an acceptable cost, could lead to the slowdown or shut-down of our operations or the under-utilization of our manufacturing facilities, which in turn may have an adverse effect on our business, results of operations and financial condition.

8. *Any major change in the technology may render our current technologies old or require us to make substantial capital investment to cope with the market.*

Technology upgradation is a regular process and it is also essential for providing the desired quality to the customers. We are taking all the possible steps to keep our manufacturing facilities in line with the latest technology. However, any further upgradation in the technology may render our current technology old and require us to upgrade the existing technology or implement new technology. Further implementing new technology may require us to incur further capital expenditure which could affect our cash flows and result of operations.

9. *Our manufacturing activities are dependent upon availability of skilled and semi-skilled labour.*

We do not have any permanent arrangement of labour and the recruitments are made as per requirements of the work force except for those who are on permanent pay rolls of our Company. Our manufacturing activities are dependent on availability of skilled and semi-skilled labour. Non-availability of labour at any time or any disputes with them may affect our production schedule and timely delivery of our products to customers which may adversely affect our business and result of operations. We are subject to adherence of industry standards and any strike, work stoppage or increased wage demand by our employees or any other kind of disputes with our employees could adversely affect our business, financial condition and results of operations.

We are subject to adherence of applicable labour laws that protect the interests of our workers, including legislation that stipulates laid-down procedures for dispute resolution and retrenchment of workers and imposes financial obligations on employers in case of default of the employer. While we have not experienced any labour unrest in the past, strikes, lock-outs and other labour action, in future, may have an adverse impact on our operations, and if not resolved in a timely manner, could lead to disruptions in our operations.

We cannot guarantee that we will not experience any strike, work stoppage or other industrial action in the future and any such event could adversely affect our business, results of operation and financial condition.

10. *We face competition in our business from domestic competitors. Such competition would have an adverse impact on our business and financial performance.*

The industry, in which we are operating, is highly and increasingly competitive and our results of operations and financial condition are sensitive to, and may be materially adversely affected by, competitive pricing and other factors. Competition may result in pricing pressures, reduced profit margins or lost market share or a failure to grow our market share, any of which could substantially harm our business and results of operations. There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.

11. ***Our promoters and members of the Promoter Group hold 68.06% equity shares in the company and through this shareholding they retain control over our Company, however after the Rights Issue the shareholding stake of the Promoters may vary.***

Our Promoter and the members of the Promoter Group hold 68.06% equity share capital in the company and through that they retain control over our company, however after the Rights Issue the shareholding stake of the Promoters and members of the promoter's group may vary. Through control over the management of the Company our promoters have the ability to control our business including matters relating to the timing and distribution of dividends and the election or termination or appointment of its officers and directors.

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

Our Company has entered into certain transactions with our related parties. While we believe that all such transactions have been conducted on the arm's length basis, we cannot assure you that we might have obtained more favourable terms had such transactions been entered into with unrelated parties.

Furthermore, it is likely that we may enter into related party transactions in the future. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our shareholders and will not have an adverse effect on our business, results of operations, cash flows and financial condition.

13. ***If we are unable to introduce new designs, new products and respond to changing consumer preferences in a timely and effective manner, the demand for our products may decline, which may have an adverse effect on our business, results of operations and financial condition.***

The success of our business depends upon our ability to anticipate and identify changes in consumer preferences and offer designs and products that consumers require. Our failure to successfully introduce new designs in a cost effective and a timely manner could lead us losing our sales and market share in the market.

14. ***Our inability to assess customer demand, negotiate price with our customers for our products and manage our inventory may have an adverse effect on our business, results of operations and financial condition.***

Our businesses depend on our ability to negotiate prices of our products, in desired order quantities, with our customers. If we have inadequate capacity due to which we are unable to meet the demand for our products, we may manufacture fewer quantities of products than required, which could result in the loss of business.

While we get from our customers a forecast for their demand and also indicative prices for our products and accordingly, we plan our production volumes, any error in our forecast could result in a reduction in our profit margins and surplus stock, which may result in additional storage cost and such surplus stock may not be sold in a timely manner, or at all. At times when we have overestimated demand, we may have incurred costs to build capacity or purchased more raw materials and manufactured more products than required. Our inability to accurately judge demand for our products and manage our inventory may have an adverse effect on our business, results of operations and financial condition.

15. ***Shortage or non-availability of electricity, fuel or water may adversely affect our manufacturing operations and have an adverse effect on our business, results of operations and financial condition.***

Our manufacturing operations require a significant amount and continuous supply of electricity, fuel and water and any shortage or non-availability may adversely affect our operations. The production process

requires significant power. We currently source our water requirements from bore wells and depend on state electricity boards for our energy requirements. Although we have diesel generators to meet exigencies at our unit, we cannot assure you that our unit will be operational during power failures. Any failure on our part to obtain alternate sources of electricity, fuel or water, in a timely fashion, and at an acceptable cost, may have an adverse effect on our business, results of operations and financial condition.

16. *Non-compliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, results of operations and financial condition.*

We are subject to a broad range of safety, environmental, labour, workplace and related laws and regulations in the jurisdictions in which we operate, which impose controls on the noise emissions, air and water discharges; on the storage, handling, discharge and disposal of treated water, employee exposure to hazardous substances and other aspects of our operations. Further, any accidents at our facilities may result in personal injury or loss of life of our employees, contract labourers or other people, substantial damage to or destruction of property and equipment resulting in the suspension of operations. Any of the foregoing could subject us to litigation, which may increase our expenses in the event we are found liable and could adversely affect our reputation. The government or the relevant regulatory bodies may require us to shut down our units, which in turn could lead to product shortages that delay or prevent us from fulfilling our obligations to customers.

The adoption of stricter health and safety laws and regulations, stricter interpretations of existing laws, increased governmental enforcement of laws or other developments in the future may require that we make additional capital expenditures, incur additional expenses or take other actions in order to remain compliant and maintain our current operations. Complying with, and changes in, these laws and regulations or terms of approval may increase our compliance costs and adversely affect our business, prospects, results of operations and financial condition. We are also subject to the laws and regulations governing relationships with employees in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and termination of employees, contract labour and work permits.

There is a risk that we may inadvertently fail to comply with such regulations, which could lead to enforced shutdowns and other sanctions imposed by the relevant authorities, as well as the withholding or delay in receipt of regulatory approvals for our production activities. We cannot assure that we will not be involved in future litigation or other proceedings or be held liable in any litigation or proceedings including in relation to safety, health and environmental matters, the costs of which may be significant.

17. *Under-utilization of our manufacturing capacities could have an adverse effect on our business and results of operations.*

Our revenues and profits are dependent on our ability to maximize our capacity utilization. Maximizing capacity utilization rates at our manufacturing facilities allows us to increase our economies of scale and allocate fixed costs over a greater number of units of products, thus increasing our profit margins. While we seek to achieve greater cost efficiency in our operations, we cannot assure you that we will always be successful in doing so, and any failure on our part in doing so may have an adverse effect on our business, results of operations, cash flows and financial condition.

18. *We are dependent on third party transportation and logistics providers for the delivery of our raw materials and the distribution of our products any deficiency or interruption in their services could adversely affect our business and reputation.*

We rely on third party transportation and logistics providers including for transportation services at multiple stages of our business activities, including for procurement of raw materials from our suppliers and for transportation of our finished products from our Manufacturing Facility to our customers. We mostly depend on the roadways, railways and waterways to receive raw materials required for our production and to deliver our finished products to our customers.

This makes us dependent on various intermediaries such as international, regional and domestic logistics companies, container freight station operators and shipping lines. Our business is also vulnerable to increased transportation costs or delivery delays due to various factors, including increase in fuel costs, freight rates, increase in port, road and toll taxes, shipping congestions, damage or losses of goods in transit, disruption of transportation services because of weather related problems, inadequacies in waterways, railways and road infrastructure or other similar events. Further, majority of our import and export activities take place from Nava Sheva port and Mundra Port situated in Maharashtra and Gujarat on the western coast and therefore we are heavily dependent on the smooth functioning of these ports. Adverse weather conditions, improper handling of our products, strikes, or other events could impair our ability to deliver the requisite quantities of products in time and could adversely affect the performance of our business, financial condition, results of operations and prospects. Except certain yearly contracts with domestic transportation and logistics providers, we do not have any long-term contractual arrangements with such third-party transportation and logistics providers for our product sale or distribution and raw materials procurement. Disruptions of logistics or material fluctuations in the cost of transportation could impair our ability to procure raw materials and/or deliver our products on time or we may not be able to secure adequate container space, leading to delivery delays, which could materially and adversely affect our business, financial condition and results of operations. Although, there have been no occurrence of such instances in the past, there can be no assurance that upon occurrence of any such losses in the future we will receive compensation for any such claims in a timely manner or at all, and consequently, any such loss may adversely affect our business, financial condition, results of operations and prospects. Our third-party transportation providers may not carry enough insurance coverage and therefore, any losses that may arise during the transportation process may have to be claimed under our marine insurance policy.

19. ***Our business is dependent on the performance of textile industries where our products are utilized. Uncertainty regarding textile industries could adversely affect demand for our products, our costs of doing business and our financial performance.***

Our products are primarily used in the textile industries. The textile industry is cyclical in nature and is sensitive to general economic conditions and factors such as consumer demand, consumer confidence, inflation, employment, disposable income levels and demographic trends. A slowdown in the textile industry may result in a reduction in the volume of our business, which could materially and adversely affect our business, financial condition and results of operations. The performance of these sectors, and consequently the demand for our products in these sectors, are dependent on economic and other factors such as government policies, regulations and budgetary allocations as well as investments made in these industries and sectors.

20. ***We rely on outsourcing of the manufacturing of our products to third-parties, without exclusivity arrangements. Any inability to obtain sufficient quantities of textile products, apparel and accessories of the requisite quality in a timely manner or 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 our products, we engage third-party manufacturers to manufacture such products on our behalf. These manufacturers perform the different stages of the manufacturing process, including dyeing, printing, cutting, embroidery, stitching and finishing, with the final products sold under our brand. We rely on third party manufacturers and vendors to provide us with an uninterrupted supply 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 third-party manufacturers, they may decide not to accept our future orders on the same or similar terms, or at all. We have subsisting service contracts with some of our major third-party manufacturers (on the basis of total contract charges), which are terminable by us on various grounds specified in such contracts. We may face the risk of our competitors offering our third-party manufacturers better terms, which may cause them to cater to our competitors alongside, or even instead of us. They may discontinue their work on short notice and our production process may be stalled or hindered. Conversely,

due to increased customer demand for our products, we may need to obtain more products from more third-party manufacturers, and any inability to do so may render us unable to execute our growth strategy. Further, we provide the designs of our products to third party manufacturers and vendors. As we do not have direct operational control over third party manufacturers, if any of them are involved in unauthorized production using our designs or our brands, or other misappropriation of trade secrets, our reputation, business and result of operations may be adversely affected.

21. ***We rely on third parties for substantially all of our sales and distribution operations, and if such third parties fail to assist us in a consistent, timely and efficient manner, our business, results of operations and financial condition may be adversely affected.***

Our sales and distribution operations depend substantially upon our network of third parties. We cannot assure you that such third parties will be able to establish or maintain adequate sales capabilities or will be successful in ensuring sale of our products. Further, we do not enter into any exclusive agreements with such third parties. If we are unable to establish or maintain our relationship with such third parties, our business, results of operations and financial condition may be materially and adversely affected.

22. ***The price of the Equity Shares may be highly volatile after the Issue.***

The price of the Equity Shares on the Indian stock exchanges may fluctuate after this Issue as a result of several factors including volatility in the Indian and global securities market, our operations and performance, performance of our competitors and perception in the market about investments in our industry, adverse media reports on us or the industry, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India's economic liberalization and deregulation policies and significant developments in India's fiscal and environmental regulations. There can be no assurance that the prices at which the Equity Shares are initially traded will correspond to the prices at which the Equity Shares will trade in the market subsequently.

23. ***As the Equity Shares of our Company are listed on the BSE, our Company is subject to certain obligations and reporting requirements under the SEBI (LODR) Regulations and other SEBI Regulations. Any non-compliances/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.***

The Equity Shares of our Company are listed on BSE, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI (LODR) Regulations, to the extent applicable, and have to adhere to and comply with other applicable Regulations framed by SEBI. Our Company endeavours to comply with all such obligations and reporting requirements, any non-compliance which might have been committed by us, may result into Stock Exchange and/or SEBI imposing penalties, issuing warnings and show cause notices against us and/or taking actions as provided under the SEBI Act and the rules and regulations made there under and applicable SEBI Circulars.

Any such adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.

24. ***Our Promoters, Members of the Promoter Group, and Directors may have interest in our Company other than normal remuneration or benefits and reimbursement of expenses incurred.***

Our Promoters and Directors and Group Companies may be deemed to be interested in our Company, in addition to normal remuneration or benefits and reimbursements of expenses, to the extent of Equity Shares or other securities, held by them and their relatives (if any) and their dividend or bonus entitlement, and benefits arising from their directorship in our Company and are also interested to the extent of sitting fee payable to them for attending each of our Board and Committee Meetings.

- 25. *The textile, apparels and home furnishing industry in India is intensely competitive and our inability to compete effectively may adversely affect our business, results of operations, financial condition and cash flows.***

The textile, apparel and home furnishing industry in India is a competitive and fragmented market with multiple national and regional companies. Some of our competitors may be larger than us or develop alliances to compete against us, have more financial and other resources and have products with greater brand recognition than ours. We also face competition from new players in the apparel industry. If our competitors develop more efficient production facilities which enable them to produce their products at significantly lower costs, they could sell at lower prices and could require us to lower the prices we charge. Our competitors in certain regions may also have better access to raw materials required in our operations and may procure them at lower costs than us, and consequently be able to sell their products at lower prices. As a result, we cannot assure you that we will be able to compete successfully in the future against our existing or potential competitors or that our business and results of operations will not be adversely affected by increased competition. Further, we cannot assure you that we will be able to retain our existing customers or maintain our market share with our retail customers which may have an adverse effect on our business, financial condition and results of operations.

- 26. *We rely for our success upon the knowledge and experience of our Promoters, Directors and our management team. Loss of any of our directors and management team or our inability to attract and retain them could adversely affect our business, operations and financial condition.***

Our Company depends on the management skills and guidance of our Promoter and Directors for development of new designs, business strategies, monitoring its successful implementation and meeting future challenges. Further, we also significantly depend on the expertise, experience and continued efforts of our management team for execution of the plans. Our future performance will depend largely on our ability to retain the continued service of our management team. There is regular demand for management and other skilled personnel in the industry in which we operate, and it may be difficult to attract and retain the personnel we require in future. There can be no assurance that our competitors will not offer better compensation packages and incentives to such Managers. In the event we are not able to attract and retain talented employees, as required for conducting our business, or we experience high attrition levels which are largely out of our control, or if we are unable to motivate and retain existing employees, our business, financial condition and operations may be adversely affected. For further details on our Directors and Key Managerial Personnel, please refer to the chapter titled “*Our Management*” on page no. 76 of this Draft Letter of Offer.

- 27. *Our inability to procure and/or maintain adequate insurance cover in connection with our business may adversely affect our operations and profitability.***

Our operations are subject to inherent risks and hazards which may adversely impact our profitability, such as fire, riots, third party liability claims, loss-in-transit and natural disasters. Presently, we have obtained certain policies such as standard fire and special perils policy. These policies ensure our building, furniture, fittings, electrical installation, office equipment, stationery, meter wires, cables, godowns, meeting rooms, building superstructure, any other office contents from earthquake, fire, shock, terrorism, etc. There are many events that could cause significant damages to our operations, or expose us to third party liabilities, whether or not known to us, for which we may not be insured or adequately insured, which in turn may expose us to certain risks and liabilities. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance had been availed. Further, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part, or on time. If we were to incur a significant liability for which we were not fully insured, it could adversely affect our results of operations and financial position.

28. Our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements in respect of our operations, financial condition and results of operations.

29. There are outstanding legal proceedings involving our Company which may adversely affect our business, financial condition and results of operations.

There are proceedings pending at different levels of adjudication before various courts, enquiry officers and appellate forums. Such proceedings could divert management's time, attention and consume financial resources in their defense. Further, an adverse judgment in some of these proceedings could have an adverse impact on our business, financial condition and results of operations. A summary of the outstanding proceedings involving our Company as disclosed in this Draft Letter of Offer, to the extent quantifiable, have been set out below:

(₹ in lakhs)

Sr. No.	Name of Entity	Criminal Proceedings	Tax proceedings	Statutory/Regulatory proceedings	Disciplinary actions by the SEBI or stock Exchanges against our Promoter	Material civil litigation	Aggregate amount involved*
1.	Company						
	By the Company	NIL	NIL	NIL	NIL	NIL	NIL
	Against the Company	NIL	NIL	NIL	NIL	NIL	NIL
2.	Subsidiary						
	By the Subsidiary	NIL	NIL	NIL	NIL	NIL	NIL
	Against the Subsidiary	NIL	NIL	NIL	NIL	NIL	NIL
3.	Directors						
	By the Directors	NIL	NIL	NIL	NIL	NIL	NIL
	Against the Directors	NIL	NIL	NIL	NIL	NIL	NIL
4.	Promoters						
	By the Promoter	NIL	NIL	NIL	NIL	NIL	NIL
	Against the Promoter	NIL	NIL	NIL	NIL	NIL	NIL

*Not quantifiable

Orders passed in such proceedings adverse to our interests may affect our reputation and standing and may have a material adverse effect on our business, results of operations and financial condition. For further

details, please see “*Outstanding Litigation and Material Developments*” beginning on page 132 of this Draft Letter of Offer.

30. *Our failure to accurately forecast and manage inventory could result in an unexpected shortfall and/or surplus of products, which could harm our business.*

We monitor our inventory levels based on our own projections of future demand. Because of the length of time necessary to produce commercial quantities of our products, we make production decisions well in advance of sales. An inaccurate forecast of demand for any product can result in the unavailability/surplus of our products. This unavailability of our products in high demand may depress sales volumes and adversely affect customer relationships. Conversely, an inaccurate forecast can also result in an over-supply of our products, which may increase costs, negatively impact cash flow, reduce the quality of inventory, erode margins substantially and ultimately create write-offs of inventory. Any of the aforesaid circumstances could have a material adverse effect on our business, results of operations and financial condition.

31. *Any variation in the utilisation of our Net Proceeds would be subject to certain compliance requirements, including prior shareholders’ approval.*

We intend to use the Net Proceeds for various purposes, including but not limited to, (i) capital expenditure; (ii) working capital requirement; and (ii) general corporate purposes. Further, the Net Proceeds are intended to be utilized by our Company only and none of our Promoter, Directors, Key Managerial Personnel or members of our Promoter Group will receive any portion of the Issue proceeds. The planned use of the Net Proceeds is based on current conditions and is subject to changes in external circumstances, costs, other financial conditions or business strategies. For further details, see the section titled “*Objects of the Issue*” on page 51.

32. *Some of our leave & license and unsecured borrowing agreements may have certain irregularities.*

Some of our leave & license and unsecured borrowing agreements may have one or more irregularities such as inadequate stamping and/or improper execution. In the event of any such irregularity, we may not be able to enforce our rights in case of a dispute, which may cause a material and adverse effect on our business. In the event of any dispute arising out of such unstamped or inadequately stamped agreements and / or unregistered leave & license agreements, we may not be able to effectively enforce our rights arising out of such agreements which may have a material and adverse impact on the business of our Company.

33. *Our insurance cover may not be adequate or we may incur uninsured losses or losses in excess of our insurance coverage.*

We could face liabilities or otherwise suffer losses should any unforeseen incident such as fire, flood, and accidents affect our Manufacturing Facility and distribution centres or in the regions/areas where our distribution centres are located. Although we maintain insurance coverage in relation to fire and other natural and accidental risks at our facilities, money and fidelity insurance and stock insurance, there are possible losses, which we may not have insured against or covered or wherein the insurance cover in relation to the same may not be adequate. Any damage suffered by us in excess of such limited coverage amounts, or in respect of uninsured events, not covered by such insurance policies will have to be borne by us.

Further, while there has been no past instance of inadequate insurance coverage for any loss, there can however be no assurance that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. A successful enforcement of one or more claims against us that exceeds our available insurance coverage or changes in our insurance policies, including premium increases or the

imposition of a larger deductible or co-insurance requirement, could adversely affect our business, financial condition, cash flows and results of operations.

34. Our intellectual property right may be infringed upon or we may infringe the intellectual property rights of third parties.

Any failure to renew registration of our registered trademarks may affect our right to use them in future. If we are unable to renew our trademarks for various reasons or if any of our unregistered trademarks are registered in favour of or used by a third party, we may not be able to claim registered ownership of such trademarks and consequently, we may not be able to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities, causing damage to our business prospects, reputation and goodwill. Further, our efforts to protect our intellectual property may not be adequate and any third party claim on any of our unprotected brands may lead to erosion of our business value and our reputation, which could adversely affect our operations. Third parties may also infringe or copy our registered trademarks. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our trademarks.

35. We hire contract labour for carrying out certain of our operations and we may be held responsible for paying the wages of such workers, if the independent contractors through whom such workers are hired default on their obligations, such obligations could have an adverse effect on our results of operations and financial condition.

In order to maintain operational efficiencies, we appoint independent contractors who in turn engage on-site contract labour for performance of certain of our operations. Under the Contract Labour (Regulation and Abolition) Act, 1970, as amended, in the event that the contractor fails to pay wages to its employees or comply with certain statutory or regulatory requirements, we as the principal employer of such contract labour may be held responsible for any such wage payments to be made to such labourers or compliance with such statutory or regulatory requirements in the event of default by such independent contractor. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and financial condition. In addition, under the Contract Labour (Regulation and Abolition) Act, 1970, as amended, we may be required to absorb a number of such contract labourers as permanent employees in specified situations. Thus, any such order from a regulatory body or court may have an adverse effect on our business, results of operations and financial condition.

Issue Specific Risk

36. *Our Company will not distribute the Draft Letter of Offer and Application Form to certain overseas Shareholders who have not provided an address in India for service of documents.*

Our Company will dispatch the Letter of Offer, the Abridged Letter of Offer, Rights Entitlement Letter and Application Form (the “**Offering Materials**”) to such Shareholders who have provided an address in India for the service of documents. The Offering Materials will not be distributed to addressees outside India on account of restrictions that apply to the circulation of such materials in various overseas jurisdictions.

However, the Companies Act requires companies to serve documents at any address, which may be provided by the members as well as through e-mail.

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

Any future issuances of equity or convertible instruments by the Company may lead to the dilution of investors’ shareholdings in the Company. In addition, any sale of substantial Equity Shares in the public market after the completion of this Issue, including by our major shareholders, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could significantly

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

- 38. SEBI has, by way of circulars dated January 22, 2020, May 6, 2020, January 19, 2021, April 22, 2021 and October 01, 2021, streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars and in this Draft Letter of Offer.**

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has now been introduced by the SEBI and the process for such Rights Entitlements has been devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI circulars dated January 22, 2020, May 6, 2020, January 19, 2021, April 22, 2021, and October 01, 2021, and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, see “*Terms of the Issue*” on page 143.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings.

- 39. *Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.***

Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Rights Equity Shares to the Applicant’s demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation, cash flows or financial condition, or other events affecting the Applicant’s decision to invest in the Rights Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the right to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price.

- 40. *Any sale of Equity Shares by our Promoter or members of our Promoter Group may adversely affect the trading price of the Equity Shares.***

Any instance of disinvestments of equity shares by our Promoter or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. The disposal of Equity Shares by any of our Promoter and Promoter Group, or the perception that such sales may occur may affect the trading price of the Equity Shares. We cannot assure you that our Promoter and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

41. ***There is no guarantee that our Equity Shares will be listed in a timely manner or at all which may adversely affect the trading price of our Equity Shares.***

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the Stock Exchanges until after those Equity Shares have been issued and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at that point of time.

42. ***The Issue Price, market capitalization to total revenue multiple and price to earnings ratio based on the Issue Price of our Company, may not be indicative of the market price of the Equity Shares on listing or thereafter.***

The market price of the Equity Shares, market capitalization to total revenue multiple and price to earnings ratio based on the Issue Price may be subject to significant fluctuations in response to, among other factors, variations in our operating results, 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. Consequently, the price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Issue Price, or at all.

There has been significant volatility in the Indian stock markets in the recent past, and our Equity Share price could fluctuate significantly because of market volatility. A decrease in the market price of our Equity Shares could cause investors to lose some or all of their investment.

43. ***Our funding requirements and the proposed deployment of Net Proceeds are based on management estimates and have not been appraised by any independent agency and may be subject to change based on various factors, some of which are beyond our control.***

We intend to use the Net Proceeds for the purposes described in “*Objects of the Issue*” beginning on page 51. Our funding requirements are based on internal management estimates and our current business plans and has not been appraised by any bank or financial institution. This is based on current conditions and is subject to change in light of changes in external circumstances, costs, other financial condition or business strategies. We may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control. We may have to revise funding requirements due to reasons which may not be within the control of our management. Furthermore, we may need to vary the objects of the Issue due to several factors or circumstances including competitive and dynamic market conditions which may be beyond our control. Pursuant to Section 27 of the Companies Act, 2013, any variation in the objects of the Issue would require a special resolution of our shareholders, and our Promoter will be required to provide an exit opportunity to our shareholders who do not agree to such variation. If our shareholders exercise such an exit option, our share price may be adversely affected.

44. ***We will continue to be controlled by our Promoters and members of the Promoter Group after the completion of the Issue.***

As on the date of this Draft Letter of Offer, our Promoters and members of the Promoter Group hold 68.06% of the issued, subscribed and paid-up equity share capital of our Company. After this Issue, our Promoters and members of the Promoter Group will continue to exercise significant control or exert significant influence over us which will allow them to vote together in capacity as shareholders of the Company on certain matters in general meetings of the Company. Accordingly, the interests of our Promoters and certain

members of the Promoter Group in capacity as shareholders of the Company may conflict with your interests and the interests of other shareholders of the Company.

45. Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renouncee(s) may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renouncee will not be able to apply in this Issue with respect to such Rights Entitlements.

46. The Rights Entitlements of Eligible Equity Shareholders holding Equity Shares in physical form (“Physical Shareholders”) may lapse in case they fail to furnish the details of their demat account to the Registrar.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than two working days prior to the Issue Closing Date (i.e., on or before [●]) to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two working days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 3, 2018 issued by the SEBI, with effect from April 1, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of Equity Shares).

47. Any future issuance of the Equity Shares, or convertible securities by our Company may dilute your future shareholding and sale of the Equity Shares by our Promoters or other major shareholders of our Company may adversely affect the trading price of the Equity Shares.

Any future issuance of the Equity Shares, or convertible securities by our Company, including through exercise of employee stock options or restricted stock units may lead to dilution of your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. Further, any future sales of the Equity Shares by the Promoters or other major shareholders of our Company may adversely affect the trading price of the Equity Shares.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. The Income Tax Act levies taxes on such long-term capital gains exceeding ₹1 lakh arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealised capital gains earned up to January 31, 2018 on such equity shares subject to specific conditions. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of a securities transaction tax (STT), on the sale of any Equity Shares held for more than 12 months at the specified rates depending on certain factors, such as whether the sale is

undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. STT will be levied on the seller and/or the purchaser of the Equity Shares and collected by a domestic stock exchange on which the Equity Shares are sold.

Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

49. The Issue Price of the Rights Equity Shares may not be indicative of the market price of the Equity Shares after the Issue.

The Issue Price of the Rights Equity Shares will be determined by our Company in consultation with the Lead Manager and the Designated Stock Exchange. This price may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue and may decline below the Issue Price. We cannot assure you that you will be able to resell your Equity Shares at or above the Issue Price. There can be no assurance that an active trading market for the Equity Shares will be sustained after this Issue, or that the price at which the Equity Shares have historically traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

50. Holders of Equity Shares could be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.

Under the Companies Act, any company 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 prior to the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the shares voted on such resolution, unless our Company has obtained government approval to issue without such rights. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without us filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available by Indian law to you. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interests in us would be reduced.

51. Fluctuations in the exchange rate between the Indian Rupee and other currencies could have an adverse effect on the value of the Equity Shares in those currencies, independent of our results of operations.

The Rights Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will be paid in Indian Rupees. Any adverse movement in currency exchange rates during the time it takes to undertake such conversion may reduce the net dividend received by investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by investors. The exchange rate between the Indian Rupee and other currencies (such as the U.S. dollar and the Singapore dollar) has changed substantially in the past and could fluctuate substantially in the future, which may have an adverse effect on the value of our Equity Shares and returns from the Equity Shares in foreign currency terms, independent of our results of operations.

52. There may not be an active or liquid market for our Equity Shares, which may cause the price of the Equity Shares to fall and may limit your ability to sell the Equity Shares.

The price at which the Equity Shares will trade after this Issue will be determined by the marketplace and may be influenced by many factors, including:

- our financial results and the financial results of the companies in the businesses we operate in;
- the history of, and the prospects for, our business and the sectors in which we compete;
- the valuation of publicly traded companies that are engaged in business activities similar to us; and
- significant developments in India's economic liberalization and deregulation policies.

In addition, the Indian equity share markets have from time to time experienced significant price and volume fluctuations that have affected the market prices for the securities of Indian companies. As a result, investors in the Equity Shares may experience a decrease in the value of the Equity Shares regardless of our operating performance or prospects.

External Risk Factor:

53. *A slowdown in economic growth in India could adversely affect our business.*

The structure of the Indian economy has undergone considerable changes in the last decade. These include increasing importance of external trade and of external capital flows. Any slowdown in the growth of the Indian economy or any future volatility in global commodity prices could adversely affect our business, financial condition and results of operations. India's economy could be adversely affected by a general rise in interest rates, fluctuations in currency exchange rates, adverse conditions affecting housing, tourism and electricity prices or various other factors. Further, conditions outside India, such as slowdowns in the economic growth of other countries, could have an impact on the growth of the Indian economy and government policy may change in response to such conditions. The Indian economy and financial markets are also significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States, Europe or China or Asian emerging market countries, may have an impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss of investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets, and could have an adverse effect on our business, financial condition and results of operations and the price of the Equity Shares.

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 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 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. *Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, in the jurisdictions in which we operate may adversely affect our business and results of operations.*

Our business, results of operations and financial condition could be materially adversely affected by changes in the laws, rules, regulations or directions applicable to us, or the interpretations of such existing laws, rules and regulations, or the promulgation of new laws, rules and regulations.

The governmental and regulatory bodies may notify new regulations and/or policies, which may require us to obtain approvals and licenses from the government and other regulatory bodies, impose onerous requirements and conditions on our operations, in addition to those which we are undertaking currently. Any such changes and the related uncertainties with respect to the implementation of new regulations may have a material adverse effect on our business, results of operations and financial condition

In addition, unfavourable changes in or interpretations of existing, or the promulgation of new laws, rules and regulations, including foreign investment laws governing our business, operations and investments in our Company by non-residents, could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals.

The Government of India has notified four labour codes which are yet to completely come into force as on the date of this Draft Letter of Offer, namely, (i) The Code on Wages, 2019, (ii) The Industrial Relations Code, 2020, (iii) The Code on Social Security, 2020 and (iv) The Occupational Safety, Health and Working Conditions Code, 2020. Such codes will replace the existing legal framework governing rights of workers and labour relations

There can be no assurance that the Government of India will not implement new regulations and policies requiring us to obtain approvals and licenses from the Government of India or other regulatory bodies or impose onerous requirements and conditions on our operations. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and financial condition.

Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time-consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

56. *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, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy.

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse

impact on the trade relations between the two countries. 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 and results of operation. 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 and results of operations and reduce the price of the Equity Shares.

57. *We are subject to regulatory, economic, social and political uncertainties and other factors beyond our control.*

We are incorporated in India and we conduct our corporate affairs and our business in India. Our Equity Shares are proposed to be listed on Stock Exchanges. Consequently, our business, operations, financial performance and the market price of our Equity Shares will be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India.

Factors that may adversely affect the Indian economy, and hence our results of operations may include:

- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian customers and Indian corporations;
- epidemic or any other public health in India or in countries in the region or globally, including in India's various neighbouring countries;
- macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
- downgrading of India's sovereign debt rating by rating agencies; and
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy or certain regions in India, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares. For example, our manufacturing facilities are located in western India, hence any significant disruption, including due to social, political or economic factors or natural calamities or civil disruptions, impacting this region may adversely affect our operations.

58. *If inflation were to rise further in India, we might not be able to increase the prices of our services at a proportional rate in order to pass costs on to our customers and our profits might decline.*

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of salaries, and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase our rates to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the GoI has initiated fiscal measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

59. *We are exposed to foreign currency exchange rate fluctuations, which may impact our results of operations and cause our financials performances to fluctuate.*

Our Financial Statements are presented in Indian Rupees. However, our sales from exports and a portion of our raw materials expenditures are in foreign currencies, mostly the U.S. dollars. The exchange rate between the Indian Rupee and foreign currencies, has fluctuated in the past and this has impacted our results of operations in the past and may also impact our business in the future. We have exposure to foreign currency risks in respect of our export sales and raw materials imports. An appreciation of the Rupee decreases the Rupee amount of revenue from sales made in foreign currency. A depreciation of the Rupee would result in an increase in the prices of our imported raw materials. There can be no guarantee that such fluctuations will not affect our financial performance in the future. Our Company has entered into foreign exchange forward contracts with the intention of hedging foreign exchange risk of expected sales and purchases, these contracts are not designated as hedge and are measured at fair value through profit or loss. While we seek to hedge our foreign currency exchange risk by entering into foreign exchange forward contracts or matching our revenue and expenses currency as much as possible, any action that we may take and any amounts that we spend or invest in order to hedge the risks to our business due to fluctuations in currencies may not adequately hedge against any losses.

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

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks in India, and other acts of violence overseas and in India may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally.

Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect the Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

61. *Any downgrading of India's debt rating by an international rating agency could have a negative impact on our business.*

India's sovereign rating could be downgraded due to various factors, including changes in tax or Financial Year policy or a decline in India's foreign exchange reserves, which are outside of our control. Any adverse change in India's credit ratings by international rating agencies may adversely impact the Indian economy and consequently 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.

62. *Changes in trade policies may affect us.*

We are continuing to expand our international operations as part of our growth strategy. Any change in policies by the countries, in terms of tariff and non-tariff barriers, from which our suppliers import or export their raw materials or components, or countries to which we export our products, may have an adverse effect on our profitability. Furthermore, we import various raw materials including MEG and PTA. Any change in import policies or any tariff and non-tariff barriers imposed by the Government of India may have an adverse impact of our business. Any change in export policies by the countries in which our suppliers are based may have an adverse impact on our business.

63. *An outbreak of other infectious or virulent diseases, if uncontrolled, may have an adverse effect on our operations.*

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

SECTION III – INTRODUCTION

THE ISSUE

The Issue has been authorized by way of a resolution passed by our Board of Directors on 16th August, 2024 pursuant to Section 62(1)(a) and other applicable provisions of the Companies Act, 2013. The terms and conditions of the Issue including the Record Date, Rights Entitlement, Issue Price, timing of the Issue and other related matters have been approved by a resolution passed by the Board of Directors of our Company at its meeting held on [●].

The following table summarises the present Issue in terms of this Draft Letter of Offer. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in “*Terms of the Issue*” on page 143 of this Draft Letter of Offer.:

Particulars	Details of Equity Shares
Rights Equity Shares being offered by our Company	[●] Equity Shares fully paid up
Rights Entitlement	[●] Rights Equity Shares for every [●] fully paid-up Equity Shares held on the Record Date.
Fractional Entitlement	<p>The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of [●] (●) Right Equity Share for every [●] Equity Shares held as on the Record Date.</p> <p>As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored, hence the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlement.</p> <p>Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Equity Shares or is not in the multiple of [●] Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements.</p> <p>However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Security if they apply for additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.</p>
Record Date	[●]
Face Value per Rights Equity Shares	₹ 10/- per Equity Share
Issue Price per Rights Equity Share	₹ [●]/- (Rupees [●] Only) including a premium of ₹ [●]/- (Rupees [●] Only) per Rights Equity Share
Equity Shares outstanding prior to the Issue	[●] Equity Shares

Issue Size	Issue of up to [●] Equity Shares of face value of ₹ 10 each for cash at a price of ₹[●](including a premium of ₹ [●] per Rights Equity Share) per Equity Share for an amount aggregating up to ₹ 4995 lakhs (Rupees Four Thousand Nine hundred and Ninety-Five Lakhs Only)
Voting Rights and Dividend	The Rights Equity Shares issued pursuant to the issue shall rank pari passu in all respects with the existing Equity Shares of our Company.
Equity Shares outstanding after the Issue	[●] Equity Shares
Terms of the Issue	Please refer to the chapter titled ‘Terms of the Issue’ on page 143 of this Letter of Offer.
Use of Issue Proceeds	Please refer “Objects of the Issue” on page 51 of this Letter of Offer.
Security Codes for the Equity Shares	ISIN: INE344T01014 BSE: 539399
ISIN for Rights Entitlements	[●]
Terms of Payment	The full amount of the Issue Price is payable on Application.

Issue Schedule

The subscription will open upon the commencement of the working hours and will close upon the close of working hours on the dates mentioned below:

Event	Indicative Date
Issue Opening Date	[●]
Last Date for On Market Renunciation of Rights	[●]
Issue Closing Date	[●]

GENERAL INFORMATION

Our Company was originally incorporated on February 5, 1996, under the Companies Act, 1956, in Jaipur, Rajasthan under the name and style "*Gupta Fabtex Private Limited*" registered with Registrar of Companies, Jaipur bearing registration number "011522". On June 29, 2015, following a special resolution by shareholders, the name of Company was changed to "*Bella Casa Fashion & Retail Private Limited*", and a fresh certificate of incorporation issued by Registrar of Companies, Jaipur on July 15, 2015. Subsequently, on July 15, 2015, the Company converted to a public limited company, in name of Bella Casa Fashion & Retail Limited and a fresh certificate of incorporation reflecting this change was obtained on July 31, 2015, from the Registrar of Companies, Jaipur, Rajasthan

Registered Office of our Company

The address and certain other details of our Registered Office are as follows:

Bella Casa Fashion & Retail Limited
E-102, 103 EPIP,
Sitapura Industrial Area,
Jaipur- 302022,
Rajasthan

Website: <https://www.bellacasa.in>

Tel: 0141-2771844

The address of Corporate Office of the Company is the same as that of Registered Office of the Company.

Company registration number and corporate identity number

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

Company registration number: 011522

Corporate identity number: L17124RJ1996PLC011522

Address of the Registrar of Companies

Our Company is registered with the ROC situated at the following address:

Registrar of Companies, Jaipur, Rajasthan

Ministry Of Corporate Affairs,
C/6-7, 1st Floor,
Residency Area,
Civil Lines,
Jaipur-302001, Rajasthan

Board of Directors

The following table sets out the details of our Board as on the date of this Draft Letter of Offer:

Name	Designation	DIN	Address
Harish Kumar Gupta	Chairman and Executive Director	01323944	A-669, Shiv Marg, Malviya Nagar, Jaipur, 302017, Rajasthan
Pawan Kumar Gupta	Managing Director	01543446	71, Aashiana, Vidyut Abhiyanta Colony, Malviya Nagar, Jaipur, 302017, Rajasthan
Saurav Gupta	Executive Director	07106619	71, Aashiana, Vidyut Abhiyanta Colony, Malviya Nagar, Jaipur, 302017, Rajasthan
Gaurav Gupta	Executive Director	07106587	A-669, Shiv Marg, Malviya Nagar, Jaipur, 302017, Rajasthan
Sharad Mangal	Independent Director	01127317	C-7, Behind TPS, Shastri Nagar, Jaipur, 302016, Rajasthan
Gunjan Jain	Independent Director	07223400	C-49, Panchsheel Colony, Near Purani Choongi, Ajmer Road, Jaipur, 302006, Rajasthan
Kalpana Juneja	Independent Director	07226135	A-38, Jai Shiv Apartments, West Enclave, Pritam Pura, New Delhi, 110034, Delhi
Vikas Mathur	Independent Director	07252879	B-125, Mangal Marg, Bapu Nagar, Jaipur, 302015, Rajasthan

For further details of our Board of Directors, please see “*Our Management*” on page 76.

Company Secretary and Compliance Officer

Ms. Sonika Gupta is the Company Secretary and Compliance Officer of our Company. Her contact details are as follows:

Sonika Gupta
Bella Casa Fashion and Retail Limited
E-102, 103 EPIP,
Sitapura Industrial Area,
Jaipur- 302022,
Rajasthan
Tel: 0141-2771844
Email: cs@bellacasa.in

Filing

The Draft Letter of Offer has been filed with BSE Limited for obtaining in-principle approval. As the issue size is less than ₹ 50 Crore (Rupees Fifty Crores), the draft letter of offer is not filed with SEBI. However, a copy of the Letter of Offer shall be filed with the SEBI for the purpose of their information and dissemination.

DETAILS OF INTERMEDIARIES PERTAINING TO THIS ISSUE OF OUR COMPANY:

Registrar to the Issue:

M/s. KFin Technologies Limited
Selenium Building, Tower-B, Plot No. 31 & 32, Financial
District, Nanakramguda, Serilingampally, Hyderabad,
Rangareddi, Telangana, India - 500 032

Telephone: +91 40 6716 2222/18003094001

Fax. No.: +91 40 6716 1563

Email: bellacasa.rights@kfintech.com

Investor grievance email: einward.ris@kfintech.com

Website: <https://www.kfintech.com/>

Contact Person: Mr. Murali Krishna

SEBI Registration No.: INR000000221

Statutory Auditors of our Company:

M/s. Kalani & Co. Chartered Accountants

703, VII Floor, Milestone Building,
Gandhi Nagar Crossing, Jaipur-302015

Email: jaipureast@kalanico.com

Telephone: +91-141-2709001-2

Contact Person: Mr. Deepak Khandelwal

Email: deepak@kalanico.com

Firm registration number: 000722C

Peer review number: 016484

M/s Vikas Jain & Associates, Chartered Accountants were appointed as Statutory Auditors of the Company for a period of five years from the financial year 2019-20 to 2023-24, to hold office till the conclusion of the twenty-eighth Annual General Meeting.

Bankers/ Lenders to our Company:

HDFC Bank Limited

O-10, Ashok Marg, C-Scheme, ,
Jaipur, Rajasthan 302001

Email: Lokendra.Rathore@hdfcbank.com

Telephone: 7742905967

Contact Person: Lokendra Rathore

Banker(s) to the Issue:

[•]

Escrow Collection Bank(s)

[•]

Refund Bank(s)

[•]

Sponsor Bank

[•]

Syndicate Members

[•]

Designated Intermediaries

Self-Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> as updated from time to time, or at such other website as may be prescribed from time to time. Further, for a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries and updated from time to time, please refer to the above-mentioned link or any such other website as may be prescribed by SEBI from time to time.

Registered Brokers

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and email address, is provided on the respective websites of the Stock Exchanges (www.bseindia.com), 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 email address, is provided on the websites of the Stock Exchange at <https://www.bseindia.com/Static/PublicIssues/RtaDp.aspx> and any such other websites 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 the Stock Exchange at <https://www.bseindia.com/Static/PublicIssues/RtaDp.aspx>, and any such other websites as updated from time to time.

Monitoring Agency

Since the Issue size does not exceed ₹ 10,000 Lakhs, the appointment of a monitoring agency as per Regulation 82 of the SEBI Regulations is not required. However, the Board of Directors and Audit Committee of our Company, would be monitoring the utilisation of the proceeds of the Issue.

Appraising Entity

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

Credit Rating

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

Debenture Trustee

As this is an Issue of Equity Shares, the appointment of a debenture trustee is not required.

Underwriting

This Issue is not underwritten and our Company has not entered into any underwriting arrangement.

Issue Schedule:

Event	Indicative Date
Issue Opening Date	[●]
Last Date for On Market Renunciation of Rights	[●]
Issue Closing Date	[●]

CAPITAL STRUCTURE

The share capital of our Company as on the date of this Letter of Offer is set forth below:

(In ₹ except share data)

Sr. No.	Particulars	Aggregate Nominal Value	Aggregate value at Issue Price*
	Authorized Share Capital		
	1,50,00,000 Equity Shares of face value of ₹ 10 each	15,00,00,000	-
	Issued, Subscribed And Paid-Up Share Capital Before The Issue		
	1,14,75,000 Equity Shares of face value of ₹ 10 each	11,47,50,000	-
	Present Issue In Terms Of This Letter Of Offer*		
	[●] ([●]) Issue of Equity Shares, each at a premium of ₹[●]/- (Rupees [●] Only) per Equity Share, at an Issue Price of ₹[●]/- (Rupees [●] Only) per Equity Share	[●]	[●]
	Issued, Subscribed And Paid-Up Capital After The Issue*		
	[●] Equity Shares of face value of ₹ 10 each	[●]	[●]
	SECURITIES PREMIUM ACCOUNT		
	Before the Issue	18,15,60,00,000	
	After the Issue	[●]	

**Subject to finalisation of Basis of Allotment.*

The Issue has been authorised by a resolution of our Board dated August 16, 2024

Notes to the Capital Structure:

1. The Equity Shares of our Company are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer.
2. At any given time, there shall be only one denomination of the Equity Shares. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time

3. As on the date of this Draft Letter of Offer, our Company has not issued any special voting Right Shares and there are no outstanding Equity Shares having special voting rights.
4. The ex-rights price arrived in accordance with the formula prescribed Regulation 10 (4) (b) of the SEBI (SAST) Regulations, in connection with the Issue is ₹[●] (Rupees [●] Only);
5. **Details of outstanding warrants, outstanding instruments with an option to convert or securities which are convertible at a later date into Equity Shares Further, our Company has not issued any Equity Shares out of revaluation reserves since incorporation.**

As on the date of this Draft Letter of Offer, our Company does not have any outstanding warrants, outstanding instruments with an option to convert or securities which are convertible at a later date into Equity Shares.

6. Details of stock option scheme of our Company

As on the date of this Draft Letter of Offer, our Company does not have a stock option scheme;

7. Details of Equity Shares held by the promoter and promoter group including the details of lock-in, pledge of and encumbrance on such Equity Shares

As on the date of this Draft Letter of Offer, none of the Equity Shares held by the members of the Promoter and Promoter Group of the Company are locked-in, pledged and encumbered;

8. Details of Equity Shares acquired by the promoter and promoter group in the last one year prior to the filing of this Draft Letter of Offer

Following are the details of Equity Shares acquired by the Promoter and Promoter Group of the Company in the last one year prior to the filing of this Draft Letter of Offer:

Sr. No.	Name of the Promoter and members of the Promoter Group	Details of Acquisition			Post-Transaction holding of Equity shares	
		Date of Acquisition	Number of Equity shares	Percentage of Equity shares acquired	Number of equity shares post-acquisition	Percentage of equity shares post-transaction
Nil						

9. Our Company has not issued or allotted any Equity Shares pursuant to any schemes of arrangement approved under Sections 391 to 394 of the erstwhile Companies Act, 1956 or Sections 230-234 of the Companies Act, 2013, as applicable.
10. Our Company has not issued any Equity Shares during the period of one year preceding the date of this Letter of Offer.

Shareholding Pattern of our Company

Shareholding pattern of our Company as prescribed under Regulation 31 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and last submitted to the stock at the end of quarter ended June 30, 2024 to stock exchanges is available on below link:

<https://www.bseindia.com/stock-share-price/bella-casa-fashion--retail-ltd/bellacasa/539399/shareholding-pattern/>

Other details of Shareholding of our Company

The statement showing shareholders holding more than 1% of the total number of Equity Shares for the period ended June 30, 2024 is as follows:

<https://www.bseindia.com/stock-share-price/bella-casa-fashion--retail-ltd/bellacasa/539399/shareholding-pattern/>

Details of shareholding of our Promoters and members of our Promoter Group

The statement showing holding of Equity Shares of persons belonging to the category “Promoter and Promoter Group” including the details of lock-in, pledge of and encumbrance thereon, for the period ended June 30, 2024 can be accessed on the website of the BSE at:

<https://www.bseindia.com/corporates/shpPromoterNGroup.aspx?scripcd=539399&qtrid=122.00&QtrName=June%202024>

Statement showing shareholding pattern of the public shareholder:

The statement showing shareholding pattern of public shareholders for the period ended June 30, 2024 is as follows:

<https://www.bseindia.com/corporates/shpPublicShareholder.aspx?scripcd=539399&qtrid=122.00&QtrName=June%202024>

Except as disclosed in “*Our Management*” on page 76, none of our Directors or KMPs hold any Equity Shares in our Company.

Our Company will ensure that there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

The relevant regulations in respect of all preferential allotments and bonus issues undertaken by our Company in the ten years preceding the date of this Letter of Offer, have been complied with. Further, we have not undertaken any qualified institutions placements in the ten years preceding the date of this Letter of Offer.

OBJECTS OF THE ISSUE

The Issue comprises of issue of [●] Equity Shares, aggregating up to ₹ 4995 lakhs by our Company.

Our Company proposes to utilize the Net Proceeds from the Issue towards funding the following objects:

1. To make capital Expenditures as stated below;
2. To meet the Working Capital Requirements of the Company; and
3. General Corporate Purposes

(collectively, referred to as “Objects”)

The main objects and objects incidental and ancillary to the main objects set out in the Memorandum of Association enable us (i) to undertake our existing business activities and (ii) to undertake the activities proposed to be funded from the Net Proceeds.

Net Proceeds

The details of the Net Proceeds from the Issue are summarized in the following table:

(₹ in lakhs)

Sr. No.	Particulars	Amount
1	Gross Proceeds from the Issue	Approx 4995
2	Less: Issue Related Expenses	[●]
3	Net Proceeds of the Issue (“Net Proceeds”)*	[●]

**Will be incorporated after finalization of the Issue Price and updated in the Prospectus at the time of filing with the ROC.*

Requirement of funds, schedule of implementation and utilization of Net Proceeds

The Net Proceeds are proposed to be utilised in accordance with the details provided below:

(₹ in lakhs)

Sr. No.	Particulars	Amount
1	To meet Capital expenditures (e.g. Construction and Leasing of Manufacturing Space, Acquisition of Advanced Manufacturing Technologies, etc.) **	3,000
2	To meet the Working capital requirements	1,500
3	General corporate purposes*	[●]
	Total	[●]

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

*** Assuming full subscription to the Issue and subject to finalization of the Basis of Allotment and adjusted per the Rights Entitlement ratio. In the event the Issue is not fully subscribed, the Company shall first utilize the Net Proceeds towards the objects mentioned at serial number 1 and 2 in the above table named ‘Utilization of Net proceeds’.*

Proposed schedule of implementation and deployment of Net Proceeds

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

(₹ in lakhs)

Particulars	Amount to be funded from Net Proceeds (approx.)	% of the amount to be funded from Net Proceeds	Estimated schedule of deployment of Net Proceeds in Fiscal 2024-25	Estimated schedule of deployment of Net Proceeds in Fiscal 2025-26
To meet Capital expenditures	3,000	60.06	[•]	[•]
Funding the Working Capital Requirements of the Company	1,500	30.03	[•]	[•]
General corporate purposes*	[•]	[•]	[•]	[•]
Total	[•]	[•]	[•]	[•]

**To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Net 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, quotations from suppliers, and other commercial and technical factors. 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 suppliers, variation in cost estimates on account of factors, including changes in design or configuration of the equipment and other external factors including changes in the price of the equipment due to variation in commodity prices 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, subject to compliance with applicable law. For further details, please see “Risk Factors Point 43 – Our funding requirements and the proposed deployment of Net Proceeds are based on management estimates and have not been appraised by any independent agency and may be subject to change based on various factors, some of which are beyond our control.” To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects of the Issue, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent Fiscals towards the aforementioned objects.

Means of Finance

The fund requirements of the Objects detailed above are intended to be funded from the proceeds of the Rights Issue. Hence, no amount is required to be raised through means other than the Issue Proceeds. Accordingly, the requirements under Regulation 62(1)(c) of the SEBI ICDR Regulations (which requires firm arrangements of finance through verifiable means for 75% of the stated means of finance, excluding the Issue Proceeds and existing identifiable internal accruals) are not applicable.

Details of the Objects of the Issue:

As one of the Objects of the issue is to fund capital expenditures w.r.t. construction of manufacturing space; acquisition of technology; modernization of manufacturing process and establishment of design studio, please find the following data as required:

1. To make capital expenditures:

a. Cost of the construction/ acquisition of technology, machinery, etc.:

Money raised through rights issue will be primarily used for capital expenditures to be incurred in the manner as prescribed below -

(₹ in lakhs) (Approx Figures)

Details of expenditure	Cost of such equipment/ construction (approx.)	Name of Suppliers	Date of placement of order /agreement	Expected date of supply
Construction and Leasing of Manufacturing Space	1150	[●]	[●]	[●]
Acquisition of Advanced Manufacturing Technologies	900	[●]	[●]	[●]
Modernization and Expansion of Manufacturing Capabilities	750	[●]	[●]	[●]
Establishment of a Design Studio	200	[●]	[●]	[●]
Total	3000			

b. Details of the Capital Expenditure and basis of determination of cost estimated:

The Company is planning to construct 50,000 sq. ft. of manufacturing area which will approximately cost Rs. 700 lakhs. The Company is also planning to lease additional 1,50,000 sq. ft., the deposits and customization of which will approximately incur an expense of Rs. 450 lakhs. The cost is estimated basis the quotations dated 20th June, 2024 provided by the seller.

The Company plans to acquire new plant and machinery, including around 2000 new sewing machines, sophisticated cutting plant equipment, the latest ERP and CAD software, deposits with the electricity board for necessary power, sufficient power backup for all five plants, and solar power installations. The acquisition of new plant and machinery shall cost an approximate of Rs. 900 lakhs. The cost is estimated basis the quotations dated 21st June, 2024 provided by the seller.

The Company plans to upgrade the existing equipment, re-equip the home furnishing unit with advanced garment-making machinery, and implement various technology upgrades and automation processes across the manufacturing chain. An investment of approximately Rs. 750 lakhs are required for the expansion of manufacturing capabilities.

The Company will dedicate Rs 200 lakhs towards establishing a state-of-the-art design studio to foster innovation and design excellence in our product development processes.

- c. The percentage and value terms of the equipment for which orders are yet to be placed are as follows:

Details of capital expenditure	Value Terms	Percentage of total issue proceeds
Construction and Leasing of Manufacturing Space	1150	23.02
Acquisition of Advanced Manufacturing Technologies	900	18.02
Modernization and Expansion of Manufacturing Capabilities	750	15.02
Establishment of a Design Studio	200	4.00
Total	3000	60.06

- d. The details of the second-hand equipment bought or proposed to be bought, if any, including the age of the machines, balance estimated life, etc. :

Since the Company plans to acquire new equipments, machines, technology, the above mentioned w.r.t. details of second-hand equipment are not applicable.

2. Funding of working capital requirement of the Company:

We propose to utilise approx. ₹ 1,500 lakhs from the Net Proceeds to fund the working capital requirements of our Company in Fiscal 2025 and 2026. Our business is working capital intensive and we fund a majority of our working capital requirements in the ordinary course of our business from banks, financial institutions and our internal accruals.

a. Existing Working Capital:

The details of our Company's working capital as at March 31, 2024 and March 31, 2023 derived from the Restated Financial Statements, and source of funding of the same are provided in the table below:

(₹ in lakhs)

Particulars	31 March 2024	31 March 2023
	Audited	Audited
Current Assets		
Inventories	10204.65	8888.32
Trade Receivables	3851.37	3586.48
Short Term Loans & Advances and Deposits	92.82	68.73
Other Current Assets	94.86	93.10
Total	14243.70	12636.63
Current Liabilities		
Sundry Creditors	2781.52	2575.75

Particulars	31 March 2024	31 March 2023
	Audited	Audited
Other Current Liabilities	47.55	18.80
Total	2829.07	2594.55
Working Capital Gap	11414.63	10042.09
Less: Existing Bank Borrowings	-4201.92	-3754.97
Net Working Capital Requirement	7212.71	6287.12
Funded through internal accruals and other borrowings	7212.71	6287.12

b. Basis of estimation of working capital requirement, along with relevant assumptions.

Our Company proposes to utilize ₹ 1,500.00 lakhs of the Net Proceeds for our estimated working capital requirements. This entire amount will be utilized during Fiscal 2025 and 2026 towards our Company's estimated working capital requirements. The balance portion of our Company working capital requirement shall be met from the working capital facilities availed/ to be availed and internal accruals. Our Company's estimated working capital requirements for Fiscal 2025 and the proposed funding of such working capital requirements are as set out in the table below:

(₹ in lakhs)

Particulars	31-Mar-25 (estimated)	31-Mar-26 (estimated)
Current Assets		
Inventories	10000	11000
Trade Receivables	5800	8100
Short Term Loans & Advances and Deposits	108	110
Other Current Assets	1296	1500
Total (A)	17,204.00	20,710.00
Current Liabilities		
Sundry Creditors	4500	5000
Other Current Liabilities	475	500
Total (B)	4975	5500
Working Capital Gap (A-B)	12,229.00	15,210.00
Less: Existing Bank Borrowings (C)	3500	5500
Net Working Capital Requirement (D) = (B-C)	8,729.00	9,710.00
Proposed Working Capital to be funded from Right Issue (E)	1500	1500
Funded through internal accruals and other borrowings (D-E)	7,229.00	8,210.00

c. Reasons for raising additional working capital, substantiating the same with relevant acts and figures:

An allocation of Rs 1500 lakhs is earmarked for bolstering our working capital to support day-to-day operations. The breakdown of this allocation is as follows:

- a. **Purchase of Raw Materials:** A significant portion of the working capital will be utilized for the purchase of raw materials essential for production. This ensures a continuous supply chain and helps manage fluctuations in material costs and availability.
- b. **Worker Wages:** Funds will also be allocated towards the payment of wages for our workforce. This ensures that we maintain our skilled labor force and uphold our commitment to fair labor practices, contributing to the stability and efficiency of our operations.
- c. **Operational Expenses:** Additional funds will cover other operational costs such as utilities, maintenance of machinery, and other day-to-day expenses that are crucial for uninterrupted production processes.

These investments in working capital are crucial for maintaining optimal inventory levels, ensuring timely wage payments, and managing operational expenses effectively, all of which are vital for the smooth functioning and growth of our business.

General Corporate Purposes:

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹[●] lakhs towards general corporate purposes, subject to such utilisation not exceeding 25% of the Gross Proceeds of the Issue, in compliance with Regulation 104(2) of the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise the Net Proceeds include but are not limited to funding growth opportunities, repayment of borrowings and interest thereon, strategic initiatives, joint-ventures, partnerships, marketing and business development expenses, expansion of facilities and meeting exigencies and expenses incurred by our Company in the ordinary course of business. In addition to the above, our Company may utilise the Net Proceeds towards other expenditure (in the ordinary course of business) considered expedient and as approved periodically by the Board or a duly constituted committee thereof, subject to compliance with necessary provisions of the Companies Act. 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. Our Company's management, in accordance with the policies of the Board, shall have flexibility in utilising surplus amounts, if any.

Issue Related Expenses

The total expenses of the Issue are estimated to be approximately ₹[●] lakhs. The Issue related expenses include fees payable to the auditor, brokerage and selling commission, commission payable to Registered Brokers, SCSBs' fees, Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchange.

The estimated Issue related expenses are as follows:

Activity	Estimated expenses (₹ in lakhs)	As a % of the total estimated Issue related expenses(1)	As a % of the total Issue size(1)
Commission/processing fee for SCSBs, Sponsor Bank and Bankers to the Issue.	[●]	[●]	[●]
Fees payable to the Registrar to the Issue, Statutory Auditors including out of Pocket expenses	[●]	[●]	[●]
Others			
- Listing fees, SEBI filing fees, BSE processing fees, book building software fees and other regulatory expenses	[●]	[●]	[●]
- Printing and stationery	[●]	[●]	[●]
- Advertising and marketing expenses	[●]	[●]	[●]
- Fee payable to legal counsel	[●]	[●]	[●]
Miscellaneous	[●]	[●]	[●]
Total estimated Issue expenses	[●]	[●]	[●]

Bridge Financing Facilities

Our Company has not availed any bridge loans from any banks or financial institutions as on the date of this Letter of Offer, which are proposed to be repaid from the Net Proceeds.

Interim use of Net Proceeds

Pending utilisation for the purposes described above, our Company will deposit the Net Proceeds only with one or more scheduled commercial banks included in Second Schedule of Reserve Bank of India Act, 1934 as may be approved by our Board Right issue committee. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in the shares of any listed company.

Monitoring of utilization of funds

As the size of the Rights Issue does not exceed ₹10,000 Lakhs, in terms of Regulation 82 of the SEBI (ICDR) Regulations, 2018, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds. Our Company will disclose the utilisation of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilised. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to Regulation 32 of the SEBI Listing Regulation, the Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Issue Proceeds. In accordance with Regulation 32 of the SEBI Listing Regulation, the Company shall furnish to the Stock Exchanges, on a quarterly basis, a statement on material deviations, if any, in the utilisation of the proceeds of the Issue from the objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results after placing the same before the Audit Committee.

Variation in objects

In accordance with Sections 13(8) and 27 of the Companies Act and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by

way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (“Postal Ballot Notice”) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Hindi, being the regional language of Rajasthan, where our Registered Office is situated in accordance with the Companies Act and applicable rules. Our Promoters will be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, in accordance with our Articles of Association, and the SEBI ICDR Regulations.

Appraising entity

None of the objects of this Issue, for which the Net Proceeds will be utilized, have been appraised by any bank or financial institution.

Strategic or Financial Partners

There are no strategic or financial partners to the Objects of the Issue

Other confirmations

None of our Promoters, Directors, Key Managerial Personnel or members of our Promoter Group will receive any portion of the Issue proceeds.

SECTION IV – ABOUT THE COMPANY

INDUSTRY OVERVIEW

The information contained in 'Industry Overview' in this section is derived from publicly available sources. Neither we, nor any other person connected with the Issue has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

Shareholders should note that this is only a summary of the industry in which we operate and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, shareholders should read this Draft Letter of Offer, including the information in the sections "Risk Factors" and "Financial Information" beginning on pages 20 and 85, respectively of this Draft Letter of Offer. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section 'Risk Factors' beginning on page 20 of this Draft Letter of Offer.

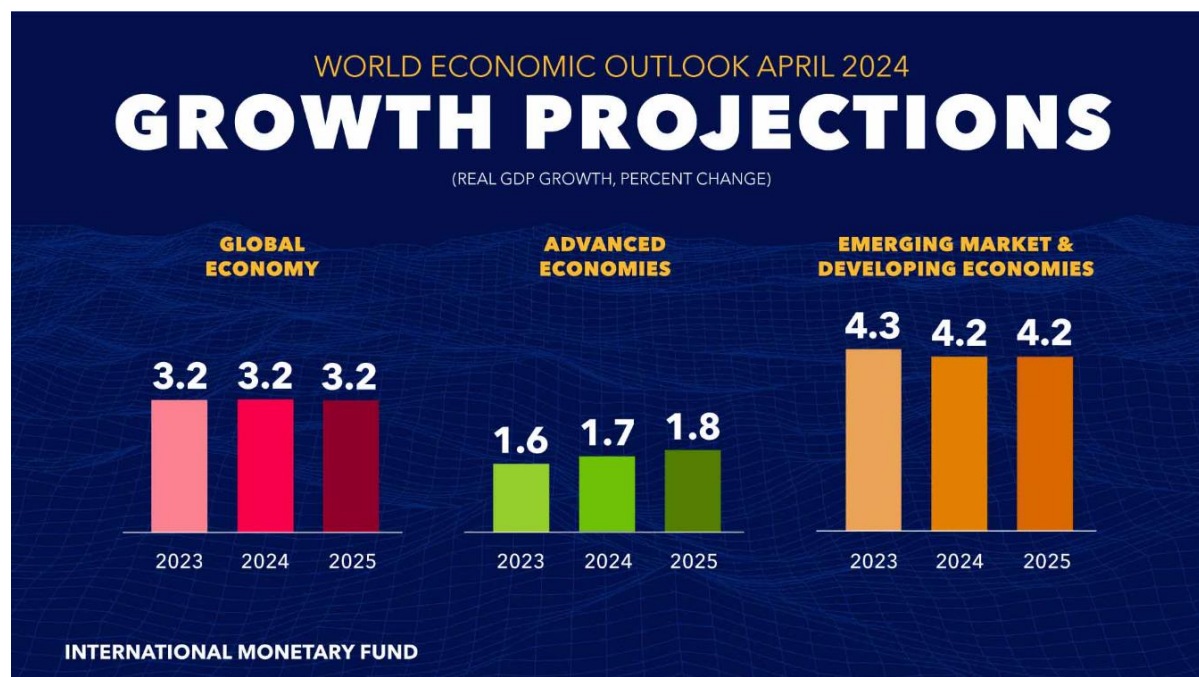
Global Economy Overview

The global economy exhibited remarkable resilience in 2023. According to the International Monetary Fund (IMF), the global economy grew by 3.2%. While advanced economies expanded by 1.6%, emerging market and middle-income economies distinguished themselves as the fastest-growing regions, achieving a growth rate of 4.1%. This growth occurred despite several global challenges, including geopolitical tensions between Russia and Ukraine, ongoing situation in the Red Sea, disrupted global trade flows, increased freight costs, and disrupted supply chains.

Additionally, higher inflation impacted global economic growth, prompting various central banks to tighten monetary policy and raise interest rates to control the situation, affecting overall business conditions. Furthermore, the slow economic recovery in China also had an adverse additional impact on global trade. The Euro area also experienced sluggish economic conditions, recording a nominal growth rate of 0.4% in 2023.

On the positive side, global headline inflation retreated faster than anticipated, decreasing from 8.7% in 2022 to 6.8% in 2023. It is expected to decline further to 5.9% in 2024 and 4.5% in 2025. Factors driving the recovery global economy include significant recoveries in the United States and other large emerging market and middle-income economies. The US economy grew by 2.5% in 2023, and the growth projection for 2024 has been revised upward by 0.6% to 2.7%.

The economic recovery in the US is bolstered by stronger-than-expected private consumption, despite labour markets remaining tight but easing. In advanced economies, households have increased their spending by utilizing savings accumulated during the pandemic. Additionally, government spending has exceeded expectations, further strengthening aggregate demand in most regions.



Outlook

According to IMF forecasts, the world economy would expand at a consistent 3.2% annual rate in 2024 and 2025. Additionally, projections for 2024 growth in developing countries and mature economies are 1.7% and 4.2%, respectively. The forecast for the advanced economy has increased by 0.2% as compared from the outlook in January 2024. The prolonged confrontation between Russia and Ukraine, however, could have a severe effect on future economic prospects. Furthermore, the situation could worsen due to ongoing attacks on the Red Sea route and rising geopolitical tensions in the Middle East, which would pose serious concerns to the world economy. However, central banks in major economies are generally projected to start lowering policy rates in the second half of 2024 as inflation is predicted to keep declining toward target levels.

Indian Economy Overview

In the face of the worldwide recession, the Indian economy has been remarkably resilient. The Indian economy grew by 7.6% in FY 2023–24, above the growth rate of 7.0% in FY 2022–23, according to the second advance estimate of National Income for FY 2023–24. Additionally, the manufacturing and construction industries saw strong development, expanding by 8.5% and 10.7%, driving the GDP growth rate in FY2023-24. This economic success can be attributed to a number of important factors, such as strong domestic demand, controlled inflation, and supportive government initiatives.

In FY 2023–2024, GST collection surpassed ~ 20.18 lakh crore, indicating an 11.7% increase bolstered by strong domestic demand. Furthermore, according to the Index of Industrial Production (IIP), India's industrial output rose from 5.5% during the same period last year to 6.1% in the first three quarters of FY 2023–24. The increasing trend in the statistics from the Index of Industrial Production (IIP) and the GST collections both demonstrate the broad-based economic growth. This pattern indicates strong activity in a number of industries, underscoring their role in the economy's overall health. Additionally, compared to the same period in the previous year, the combined growth rate of the Index of Eight Core Industries (ICI) increased from April to February in FY 2023–24, reaching 7.7% (provisional). The expansion of ICI points to a more solid basis for general economic expansion.

India's average CPI inflation for FY 2022–2023 was 6.7%, above the 4% (+/- 2%) RBI tolerance band. The Reserve Bank of India (RBI) tightened monetary policy in response to the inflationary pressure, maintaining

the repo rate at 6.5% for the previous seven policy reviews. Despite disruptions to the food supply, inflation has been moderated by higher interest rates and tighter monetary policy, resulting in an average overall inflation rate of 5.4% in FY 2023–2024. It is predicted that in the upcoming fiscal year, inflation will drop even more .

The ongoing tensions around the Red Sea areas and the worldwide economic downturn have had a substantial impact on India's merchandise exports. The total value of exports in FY 2023–2024 was USD 437.06 billion, a 3.09% decrease from the previous fiscal year. India's imports fell by 5.41% to USD 677.24 billion over the same time, maintaining the overall trade balance.

Outlook

The Indian economy is expected to have a bright future in the coming fiscal year. For FY 2024–2025, the RBI has forecast a growth rate of 7% on back of expectations of a normal monsoon, moderating inflationary pressures, and sustained momentum in manufacturing and services sector. In the meantime, the Indian economy is expected to expand by 6.8% in CY 2024 and 6.5% in 2025, according to IMF predictions. On the other hand, any intensification of geopolitical tensions and increasing disruptions in trade routes may pose risk to the outlook. Additionally, the extended increase in interest rates may have a detrimental impact on the business climate in general. The government's proactive initiatives are likely to strengthen the Indian economy's resilience in the face of these problems. In a major move, the government increased capital spending in FY 2024–2025 by designating ~ 11.11 trillion for infrastructure development projects. Furthermore, the Indian economy would be supported by a number of government measures, including the Production Linked Incentive (PLI) plan, streamlined trade and investment rules, increased FDI constraints, and improved infrastructure facilities

Global Apparel Industry: Size & Growth Trend

The global apparel market is expected to be worth USD 1.36 trillion in 2024, according to Modor Intelligence, and is expected to increase at a compound annual growth rate (CAGR) of 4.63% to reach USD 1.78 trillion by 2029. The apparel industry plays a pivotal role, particularly in developing economies, in revenue generation and employment creation. The industry is experiencing severe changes owing to global sourcing issues and competitive pricing. However, on the positive side, there are several factors contributing towards the industry's growth, including favourable demographic factors, changing consumer preference to rising per capital income and disposable income. Additionally, the increasing preference towards branded clothing as well as changing fashion trends are driving the industry growth. Furthermore, increased online purchasing and the use of big e-commerce sites are giving apparel businesses more visibility and breaking geographical barriers to increase the serviceable market area.

Key Growth Drivers for Global Apparel Industry

- **Online shopping and e-commerce are revolutionizing the market**

The rise of e-commerce has expanded market reach, with retail e-commerce sales growing from USD 3.35 trillion in 2019 to an estimated USD 5.78 trillion in 2023. Domestic brands are leveraging digital platforms to enter international markets.

- **Changing fashion trend**

Sustainable fashion, athleisure, and gender-neutral apparel are major trends. Athleisure caters to active lifestyles, while gender-neutral fashion is gaining traction for its inclusivity.

- **Rising disposable income**

Increased income in emerging markets is boosting consumer spending on apparel. In India, per capita disposable income is expected to rise to ₹2.14 lakh (USD 2,564) in FY 2024. In China, it reached USD 5,511 in 2023.

- **Emergence of sustainable and ethical fashion**

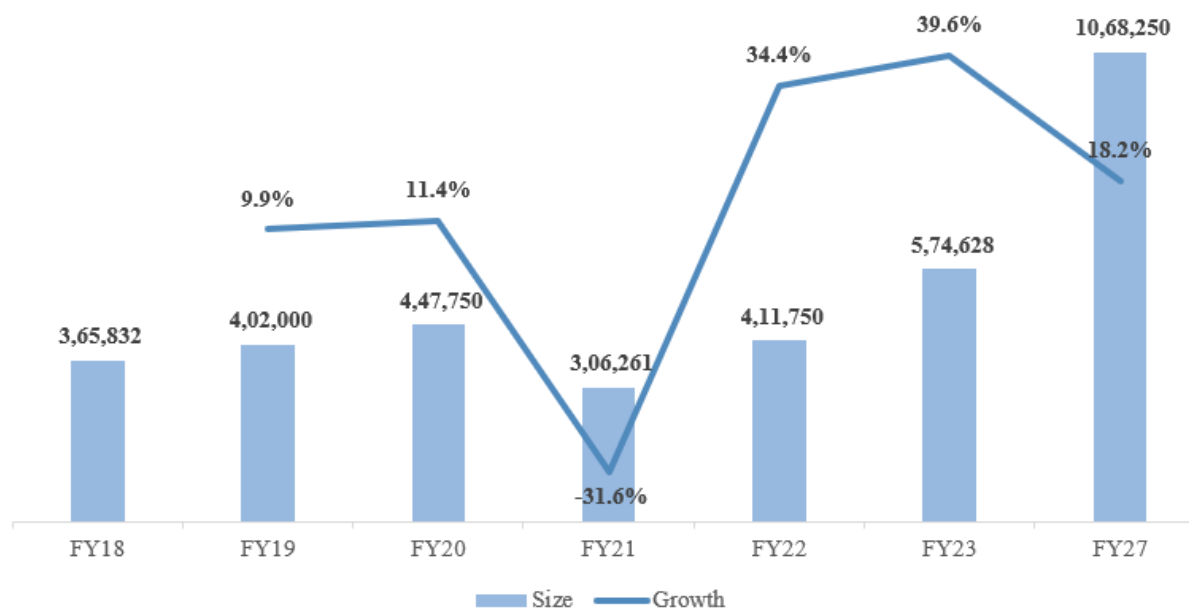
Growing environmental and social concerns are driving demand for eco-friendly apparel, with consumers favouring brands that use sustainable materials and practices.

India Apparel Market: Size & Growth Trend

The Indian apparel market was valued at INR 5,47,628 crore in FY 2023 and is projected to grow at a CAGR of approximately 18.2% from FY 2023 to FY 2027, reaching INR 10,68,250 crore by FY 2027. This growth is driven by rising brand consciousness, increased purchasing power, increased presence of value retail and accelerated urbanization. India is the one of the world's largest producers of textiles and garments. Abundant availability of raw materials such as wool, silk and jute as well as skilled workforce have made the country a sourcing hub. It is the world's second largest production of textiles and garments. Other developing and least developed countries have also strengthened their positioning in this sector Bangladesh, Pakistan and Cambodia. The increased share of these countries in the world textiles market has had a great impact in their poverty reduction and economic development. Although textile production is always an important first step industrialization, this sector continues to provide an alternative for workers in low-wage agriculture or service jobs even after other manufacturing sectors are established, especially for women and the less-skilled.

India is the one of the world's largest producers of textiles and garments. Abundant availability of raw materials such as wool, silk and jute as well as skilled workforce. Arrangement quota system ended, world trade in textiles and clothing has increased by more than 68 percent, more or less at the same pace as the world trade in manufactures. India is the one of the world's largest producers of textiles and garments. Abundant availability of raw materials such as cotton, wool, silk and jute as well as skilled workforce have made the country a sourcing hub.

Apparel Market Size in India



Branded Apparel and Organized Retail to Outperform

While the total apparel market is projected to grow at a CAGR of 18.2% from FY 2023 to FY 2027, branded apparel and organized retail are expected to see higher growth rates of 23.2% and 25.3%, respectively. This indicates that both branded apparel and organized retail will significantly outpace the overall market growth during this period.

The share of organized retail in the apparel sector has consistently increased in recent years, rising from 28.0% in FY 2018 to 32.0% in FY 2020, and 38.0% in FY 2023. It is projected to reach 48.0% by FY 2027.

Evolution of Organized Apparel Retail in India

Growth Overview: The share of organized retail in the Indian apparel market has increased from approximately 14% in FY 2007 to around 38% in FY 2023. Over these sixteen years, organized retail has not only captured incremental demand but has also shifted demand from unorganized to organized retail. This trend is expected to continue, with organized retail's share projected to reach about 48% by FY 2027, further boosting the growth of branded apparel.

Phase I (Pre-1995): Before 1995, organized retail in apparel was limited to exclusive brand outlets (EBOs) of a few brands like Van Heusen and Raymond. These outlets had limited physical reach and product offerings, primarily focusing on formal wear.

Phase II (1995-2000): The mid-nineties saw the emergence of large-format multi-brand stores like Shoppers Stop, Westside, and Lifestyle, which expanded product offerings and improved shopping experiences. This period also marked the entry of global brands such as Benetton and Nike, introducing new categories like athleisure to the Indian market.

Phase III (2001-2015): This phase introduced value retail with players such as V Mart and V2 Retail, addressing supply issues and improving customer experience. The market saw a diversification into specialized segments like casual, sportswear, and denim. Western brands like Zara and Marks & Spencer entered India, and e-commerce platforms like Myntra and Flipkart began to play a significant role. The period also saw the rise of brand aggregators and an enhanced focus on price differentiation and product attributes.

Phase IV (2016 onwards): The current phase is marked by a clear segmentation in organized retail channels, with distinct leaders in categories such as Western, Indian, and athleisure wear. Value fashion retailers continue to bridge price gaps in branded apparel, while EBOs and large-format stores (LFSs) like Reliance Trends, Pantaloons, Westside and Zudio expand their presence beyond metro areas. The growth of organized retail is driven by both offline and online channels, with e-commerce continuing to complement traditional retail growth.

Product Segmentation

In FY 2023, men's apparel accounted for approximately 41% of the total apparel market, while women's apparel comprised about 37%, and kids' apparel made up around 21%. Ethnic wear represented about 30% of the market, valued at INR 1,62,898 crore, with the remaining 70%, or INR 3,84,730 crore, attributed to western wear. Ethnic wear's significant share is a distinctive feature of the Indian apparel market. Within women's wear, ethnic apparel contributed approximately 67% and is expected to be the fastest-growing segment. In contrast, western wear plays a major role in men's and kids' apparel.

Key Growth Drivers of the Indian Apparel Sector

- **Value fashion led growth**

Value fashion will continue to drive growth for apparel retailers in both ethnic and western wear. Shifts from unbranded to branded, ready to stitch (RTS) to ready to wear (RTW), and rural to urban areas are

fuelling this trend. Value retailers are bridging the price gap by offering quality, affordable products. The COVID-19 pandemic has intensified demand for value fashion, benefiting value-focused brands, private labels, large-format stores, and online platforms.

- **Technology Intervention**

In the Indian apparel sector, technology is increasingly driving value across various functions. The integration of advanced technology in manufacturing, sourcing, retailing, marketing, and inventory management is enhancing efficiency and competitiveness. Innovations such as automated production processes, data-driven sourcing strategies, digital retail solutions, and robust inventory management systems are becoming critical for creating value and driving growth in the industry.

- **Omnichannel approach by brands**

Brands are increasingly adopting an omnichannel approach to deliver a seamless consumer experience across multiple platforms. This strategy allows customers to interact with and purchase from the brand through both online and offline channels. To achieve this, brands are digitally integrating all retail channels and ensuring strong connectivity between online and offline touchpoints.

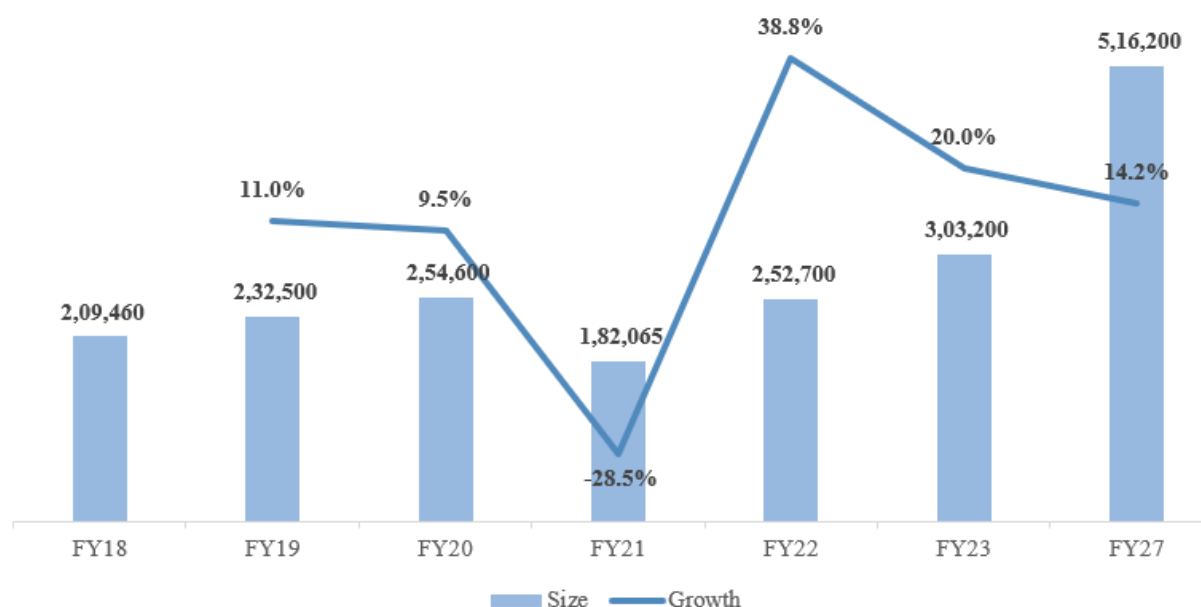
- **Government Schemes**

The Indian Government's initiative to establish seven mega textile parks is designed to boost employment and support the MSME sector. These parks, equipped with advanced infrastructure, offer tax incentives and other benefits to textile companies. Additionally, the government has introduced labour-friendly policies, such as the EPF scheme, which covers 12% of the employer's EPF contribution for new employees earning under ₹15,000 per month for the first three years. Other growth-promoting measures include the Duty Drawback Scheme, Technology Upgradation Fund Scheme, Export Promotion Capital Goods Scheme, and Invest India Scheme.

India Home Furnishing Market: Size & Growth Trend

The Indian Home & Living market, valued at INR 3,03,200 crore in FY 2023, has experienced a CAGR of 10.3% from FY 2018 to FY 2020. It is projected to grow at a CAGR of 14.2%, reaching INR 5,16,200 crore by FY 2027.

Indian Home & Living Market (INR Cr.)



The organized and E-Commerce channel is expected to grow the overall market at a CAGR of 19.7% and 22.5% respectively, outpacing the unorganized channel which is expected to grow at a moderate rate of 11.5% over the next 4 years.

Key Growth Drivers of the Indian Home furnishing industry

The Indian home textile market is thriving due to increased consumer awareness and demand for household products. Key growth drivers include the expanding bedspread segment, a recovering hospitality industry, rising incomes, and urbanization. Online sales are on the rise, supported by government initiatives like 'Make in India' that boost local manufacturing. Overall, the market is set for continued growth and expansion.

- #### Increasing Urbanization

In CY 2023, India, with a population of 1.417 billion, leads globally but has only 35% urbanization compared to the global average of 57%. Urban areas currently contribute 63% of India's GDP. By FY 2025, 37% of the population is expected to live in urban centres, generating 75% of GDP. By 2050, around 50% of the population will be urban, contributing 80% to GDP, driving increased demand for home furnishings and décor.

- #### Increasing Demand for Residential Real Estate

The growing demand for residential projects and rising renovation activities are driving the need for home textile furnishings and décor products. Additionally, increased discretionary income is boosting demand for both home décor items and branded products in this category.

- #### Entry and growth of domestic players in this segment

Domestic players have significantly expanded the home furnishings and décor market. Companies like Pepperfry and Urban Ladder have contributed to the growth of the organized sector in an otherwise unorganized industry. Other domestic textile brands such are also broadening their reach. Lifestyle

retailers like Lifestyle, Westside, Shoppers Stop, along with value-focused brands are enhancing their home sections to cater to increasing demand.

Government Initiatives

As the textile industry is crucial for India's growth, the government of India has implemented several schemes for the growth of production and ease of trade.

In recent years, the Government of India has introduced several initiatives to boost the textile and apparel industry. These include the Production Linked Incentive (PLI) scheme for technical textiles, the establishment of seven PM Mega Integrated Textile Region and Apparel (PM MITRA) parks, and the implementation of the Textile Cluster Development Scheme (TCDS) from 2021-22 to 2025-26. Additionally, the government has extended the Scheme for Rebate of State and Central Taxes and Levies (RoSCTL) on exports of garments and made-ups until March 2024 to enhance the export competitiveness of Indian textiles.

- **PM MITRA**

The Government has launched the PM Mega Integrated Textile Region and Apparel (PM MITRA) Parks Scheme with an investment of ₹4,445 crore until 2027-28. This initiative, aligned with the Prime Minister's 5F vision—Farm to Fibre to Factory to Fashion to Foreign—aims to create state-of-the-art infrastructure with plug-and-play facilities. The parks are expected to attract around ₹70,000 crore in investment and create 2 million jobs. They will also provide a platform for an integrated textile value chain, including spinning, weaving, processing/dyeing, printing, and garment manufacturing.

- **PLI Scheme**

The Government has introduced the Production Linked Incentive (PLI) Scheme for textiles, allocating ₹10,683 crore from 2020-21 to 2024-25. This initiative aims to enhance domestic production of MMF apparel, MMF fabrics, and technical textiles. The scheme is structured into two components:

- Part 1: Requires a minimum investment of ₹300 crore and a turnover of ₹600 crore.
- Part 2: Requires a minimum investment of ₹100 crore and a turnover of ₹200 crore.

Incentives will be provided upon meeting these investment and turnover thresholds, with a two-year gestation period incorporated into the scheme.

- **Rebate of State and Central Taxes and Levies (RoSCTL)**

The Union Cabinet has approved the extension of the Scheme for Rebate of State and Central Taxes and Levies (RoSCTL) for apparel, garments, and made-ups until March 31, 2026. This two-year extension aims to provide a stable policy framework essential for long-term trade planning, particularly in the textile sector, where advance orders and extended delivery periods are common.

- **Bharat Tex 2024**

A major global textile event organized by a consortium of 11 Textile Export Promotion Councils, supported by the Ministry of Textiles. Scheduled for February 29, 2024, in New Delhi, the event highlighted the integration of tradition with technology, focusing on sustainability and resilient supply chains. It was aimed to attract top talent and industry leaders globally, featuring dedicated pavilions on Sustainability and Recycling and thematic discussions on strengthening global supply chains and embracing digitalization.

- **Samarth Scheme**

The Samarth Scheme is a government initiative aimed at enhancing the textile sector workforce's skills. Set to run until March 2024, the scheme focuses on providing demand-driven, placement-oriented training aligned with the National Skill Qualification Framework (NSQF) to promote sustainable livelihoods.

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contains forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 14 of this Draft Letter of Offer for a discussion of the risks and uncertainties related to those statements and also "Risk Factors" on page 20 of this Draft Letter of Offer, for a discussion and analysis of factors that may affect our business, financial condition, results of operations or cash flows. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Our fiscal year commences on April 1 and ends on March 31 of the subsequent year, and references to a particular "Fiscal" are to the 12 months ended March 31 of that year. All financial information included herein is given on a consolidated basis unless stated otherwise.

Overview

Our Company was incorporated as Gupta Fabtex Private Limited on February 5, 1996 under the provisions of Companies Act, 1956 in Registrar of Companies, Jaipur, Rajasthan. Subsequently, pursuant to a special resolution passed by the shareholders at the Annual General Meeting held on June 29, 2015, the name of the Company was changed to Bella Casa Fashion & Retail Private Limited and a fresh certificate of incorporation consequent on change of name was issued by RoC, Jaipur, Rajasthan on July 15, 2015. Further, pursuant to a special resolution passed by our shareholders at the Extra Ordinary General Meeting held on July 15, 2015 our Company was converted into a public limited company and a fresh certificate of incorporation consequent on the conversion under the Companies Act on July 31, 2015 was obtained from RoC, Jaipur, Rajasthan.

Bella Casa Fashion & Retail Ltd (BCFRL) operates under two distinct business models, Business-to-Business (B2B) and Business-to-Consumer (B2C). In the B2B model, BCFRL specializes in providing Original Design Manufacturing (ODM) services to a wide range of retailers and fashion houses for their apparel needs. The company offers a comprehensive portfolio that includes design, manufacturing, and supply of various apparel products. This model has enabled the company to serve approximately 50 major domestic brands and retailers, catering to diverse segments such as Western and Indian wear for women, men, and children across all age groups.

The quality of our product is well accepted by our target market and the same is evidenced by getting repeat orders from our various customers. As of Fiscal 2024, we have on-going business relationships of more than three years with almost 50% of our total customers who contributes around 80% of the revenue from operations.

Under the B2C business model, the company is involved in the manufacturing, branding, and distribution of home furnishing textile products under the "Bella Casa" brand. Currently, the company's home furnishing products are available in around 5000 retail outlets, on major e-commerce platforms, and its online proprietary sales website, <https://bellacasa.in/>. The product range under this model includes bed sheets, dohars, comforters, quilts, and pillow covers.

Product Wise Revenue:*(₹ in lakhs, unless stated otherwise)*

Particulars	Financial Year ended March 31, 2024	%	Financial Year ended March 31, 2023	%	Financial Year ended March 31, 2022	%
Apparel ODM	5806.49	25%	6179.43	30%	8373.70	58%
Home furnishing	17488.48	75%	14294.04	70%	11670.61	42%
Total	23294.97	100%	20473.47	100%	20044.31	100%

BCFRL operates five manufacturing plants located in the Sitapura Industrial Area, Jaipur, Rajasthan. This industrial park has been developed by the Rajasthan State Industrial Development and Investment Corporation (RIICO) with substantial support from the government to promote export-oriented units. The company's facilities collectively possess a peak manufacturing capacity of 10 lakh pieces per month, encompassing both apparel and home furnishing products.

Our manufacturing unit developed is in as per with industry standard and requirements, and is equipped with suitable machines, technology and infrastructure that facilitate the manufacturing process. Our robust infrastructure enables us to provide timely solutions for the requirements of the clients from all over the nation.

Our company is managed by our promoters, Mr. Harish Kumar Gupta and Mr. Pawan Kumar Gupta, each have around 50 years of experience, while Mr. Saurav Gupta and Mr. Gaurav Gupta each have over around 20 years in the textile industry.

Under the able guidance of our promoters and second layer of management, the company employs a robust workforce of over 3,000 individuals, which includes both permanent and contractual labour. This skilled workforce is integral to maintaining the high standards of quality and efficiency that BCFRL is known for.

Key Performance Indicator

Our key financial performance indicator for the Financial Year 2024, Financial Year 2023 and Financial Year 2022 is detailed as below;

(₹ in lakhs, unless stated otherwise)

Particulars	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
Financial			
Revenue from Operations ⁽¹⁾	23046.34	20229.68	20638.35
EBITDA ⁽²⁾	1933.76	1599.47	2173.62
EBITDA Margin ⁽³⁾ (in %)	8.40%	7.93%	10.56%
Net Profit after tax ⁽⁴⁾	1020.55	780.70	1123.89
Net Profit Margin ⁽⁵⁾ (in %)	4.44%	3.87%	5.46%
Return on Net Worth ⁽⁶⁾ (in %)	12.02%	10.33%	16.14%
Return on Capital Employed ⁽⁷⁾ (in %)	14.54	11.92	17.30
Debt-Equity Ratio ⁽⁸⁾	.50	.50	.80

As certified by Statutory Auditor vide certificate dated [●].

Notes:

1. Revenue from operations represents the revenue from sale of products and other operating revenue of our Company as recognized in the Restated financial information.

2. *EBITDA means Earnings before interest, taxes, depreciation and amortization expense, which has been arrived at by obtaining the profit before tax/ (loss) for the year / period and adding back finance costs, depreciation, and amortization expense.*
3. *EBITDA margin is calculated as EBITDA as a percentage of revenue from operations.*
4. *Net Profit after tax represents the restated profits of our Company after deducting all expenses.*
5. *Net Profit margin is calculated as restated profit/ (loss) for the year/period divided by revenue from operations.*
6. *Return on net worth is calculated as Net profit after tax, as restated, attributable to the owners of the Company for the year/ period divided by Average Net worth. Average net worth means the average of the aggregate value of the paid-up share capital and reserves and surplus of the current and previous financial year/period.*
7. *Return on capital employed calculated as Earnings before interest and taxes divided by average capital employed (average capital employed calculated as average of the aggregate value of total equity, total debt and deferred tax liabilities of the current and previous financial year/period).*
8. *Debt- equity ratio is calculated by dividing total debt by total equity. Total debt represents long term and short-term borrowings. Total equity is the sum of equity share capital, reserves and surplus and minority interest.*

Market Opportunity

The company operates in a highly dynamic business environment that has evolved significantly over the years and continues to do so. This ever-changing landscape is shaped by shifting consumer preferences, increasing digitalization, etc. Amidst this backdrop, the resilience of the Indian fashion industry over the past decade has opened up multiple opportunities for business expansion. The robust economic growth, coupled with supportive government policies and an expanding consumer base, has provided a fertile ground for the company to grow its business especially in the apparel business.

Apparel Original Design Manufacturing (ODM)

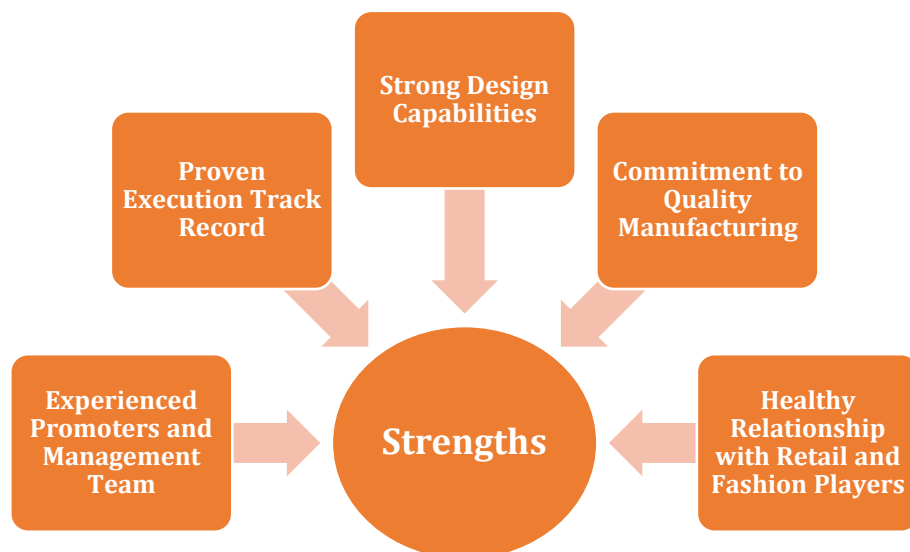
- The Indian apparel market was valued at INR 5,47,628 crore in FY 2023 and is projected to grow at a CAGR of approximately 18.2% from FY 2023 to FY 2027, reaching INR 10,68,250 crore by FY 2027. This growth is driven by rising brand consciousness, increased purchasing power, increased presence of value retail and accelerated urbanization.
- While the total apparel market is projected to grow at a CAGR of 18.2% from FY 2023 to FY 2027, branded apparel and organized retail are expected to see higher growth rates of 23.2% and 25.3%, respectively. This indicates that both branded apparel and organized retail will significantly outpace the overall market growth during this period.

The share of organized retail in the apparel sector has consistently increased in recent years, rising from 28.0% in FY 2018 to 32.0% in FY 2020, and 38.0% in FY 2023. It is projected to reach 48.0% by FY 2027.

Home Furnishing

- The Indian Home & Living market, valued at INR 3,03,200 crore in FY 2023, has experienced a CAGR of 10.3% from FY 2018 to FY 2020. It is projected to grow at a CAGR of 14.2%, reaching INR 5,16,200 crore by FY 2027.
- The market is anticipated to shift increasingly towards organized business models, moving away from traditional practices. The organized and e-commerce channels are projected to expand the overall market at a CAGR of 19.7% and 22.5%, respectively, significantly outpacing the unorganized channel, which is expected to grow at a moderate rate of 11.5% over the next four years.

Our Competitive Strengths



- Healthy Relationship with Retail and Fashion players
Our long-standing relationships with major customers have significantly contributed to our growth. These longstanding partnerships are built on our unwavering commitment to quality and superior customer service. Over the years, we have established a solid network of national players, including leading and reputable brands with extensive operations. This strong customer base highlights our reliability and market presence, significantly contributing to our sustained growth and positioning us as a prominent player in the industry.
- Proven execution track record
Our company has a history of successfully executing orders and delivering results. We consistently adhere to deadlines and uphold quality standards, demonstrating our reliability and dedication to client satisfaction. Through constant planning and efficient resource management, we are amongst the preferred partners for our clients. This track record underscores our capability to manage and execute order effectively.
- Strong design capabilities
In the fast-paced world of fashion, characterized by rapid production, affordability, and trend-driven designs, our company prioritizes innovation and quality. We emphasize the development of trendy, high-quality designs to stay ahead of the market. Our dedicated design team conducts market trend analyses to deliver a diverse range of products, ensuring alignment with the fashion demands of our clients. This commitment to design excellence enables us to consistently offer new and relevant design products to our clients.
- Highly experienced and professional promoters and management
Our company benefits from a highly experienced leadership team with deep industry knowledge. Promoters Mr. Harish Kumar Gupta and Mr. Pawan Kumar Gupta bring 40 years of experience each in the textile sector, providing strategic vision and stability. Additionally, Mr. Saurav Gupta and Mr. Gaurav Gupta each contribute over 20 years of expertise, enhancing our operational and market acumen.
This wealth of experience is complemented by our second layer of management, which plays a crucial role in executing our business strategies. Their combined expertise ensures not only the successful

implementation of our business plans but also nurtures innovation and adaptability in a dynamic market environment.

- Commitment to Quality Manufacturing

Our Company is dedicated to high-quality manufacturing, implementing quality checks at every stage of production. We adhere to quality parameters, conducting regular inspections to promptly address and rectify any defects or errors throughout our manufacturing. Our dedicated quality control team is responsible for ongoing monitoring and ensuring that our products consistently meet the required standards.

Our Business Strategy

- Enhancing product penetration with current customers and expanding our customer base

To expand our customer base, we focus on maintaining high-quality standards and aligning our practices with customer expectations to minimize product risk. Through regular communication with customer representatives, we foster a collaborative environment that supports continuous process improvement. By emphasizing sustainability and customer satisfaction, we aim to meet changing consumer preferences and regulatory requirements. We monitor business development to ensure a strong pipeline for future growth and see significant opportunities to broaden our customer base across various business segments, functions, and regions.

- Realignment of resources to optimize costs and achieve efficiency

We are undertaking strategic realignment of resources, shifting from our working capital-intensive home furnishing segment to the faster growing apparel ODM (Original Design Manufacturing) model. This transition is aimed at optimizing our working capital cycle, improving operational efficiency, and positioning the company better to capitalize on the growth opportunities in the apparel industry. By focusing our resources on the apparel segment, we seek to enhance market competitiveness and ensure alignment with evolving market demands, with an ultimate aim of driving sustainable growth and profitability.

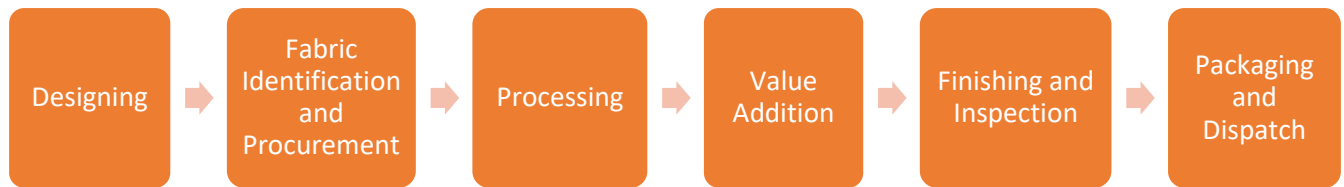
- Cost effective capacity expansion initiatives

To support sustainable growth and boost operational efficiency, we plan on implementing cost-effective capacity expansion strategies. These include identifying and clearing bottlenecks in our existing manufacturing processes to enhance productivity and reduce operational constraints. Additionally, we also plan on exploring greenfield and brownfield expansion opportunities to strategically increase our production capacity. These strategic initiatives are planned to optimize resource utilization and support our long-term growth objectives.

- Optimizing Production with Digitalization and Automation

We look forward to advancing our operational capabilities through the adoption of technological solutions and automation capabilities. These efforts are planned to focus on streamlining workflows, minimizing manual errors, and accelerating the production cycle. By integrating real-time data analytics and advanced technology, we aim to improve our turnaround time, and overall operational agility, thereby significantly improving production efficiency.

Manufacturing Process



- Designing
Design is a crucial aspect of the fashion industry. At the outset, we prioritize finalizing the design before commencing further processes. Our company has an in-house design team of young and creative professionals. This team ensures that our products meet industry standards and reflect the latest trends. Once a design is approved by both management and our customers, we proceed with the procurement of the raw materials necessary for manufacturing the product.
- Fabric Identification and Procurement
The process begins with the identification of quality fabric and market trends. Once suitable fabric is identified, purchase orders are placed. The woven fabric is then procured directly from the mill based on detailed specifications that cover parameters such as yarn, weave, and width.
- Processing
Once the design and raw materials are finalized, the next step in our manufacturing cycle is processing. This stage involves converting raw materials into finished products through a series of steps. The fabric undergoes various treatments, including cutting, stitching, dyeing, and printing, adhering to the highest quality standards. Our in-house machinery and manpower ensure precision and efficiency at each stage. Quality checks are performed at multiple steps to detect and rectify defects, ensuring the final product meets quality requirements.
- Value Addition
To enhance market acceptance and align with the trends, we incorporate various value additions into our garments. Most styles undergo enhancements such as embroidery, narrowing, hand embroidery, and other intricate processes. Through these efforts, we consistently seek to deliver unique, high-quality fashion items that resonate with latest trends.
- Finishing and Inspection
Product finishing is a crucial stage in our manufacturing process, ensuring that each garment is market-ready. The finishing process includes removing loose and unwanted threads and performing proper and customized ironing. We prioritize the quality of our final products to ensure that each product meets the desired quality standards. The quality assurance and control team conducts checks on both process and product specifications. The control team inspects all finished goods, verifying that they are free from defects and adhere to specified measurements. Products with variations beyond acceptable limits are rejected.
- Packaging and Dispatch
After finishing, the products are tagged, bar-coded, and packed in various boxes and bags. Each item is segregated by size, design, and order details to ensure accurate fulfilment. These carefully prepared packages are then dispatched according to the shipping instructions of our customers, ensuring timely

delivery to multiple locations. This systematic approach guarantees that our products reach their destinations in perfect condition, meeting the specific needs of our clients.

Details of our Business Location

Particulars	Address
Registered Office	E-102, 103, SITAPURA INDUSTRIAL AREA, JAIPUR
Manufacturing Facility	E-102, 103, SITAPURA INDUSTRIAL AREA, JAIPUR
Manufacturing Facility	G-01-273, 274, SITAPURA INDUSTRIAL AREA, JAIPUR
Manufacturing Facility	H-83, SITAPURA INDUSTRIAL AREA, JAIPUR
Manufacturing Facility	G1-31, SITAPURA INDUSTRIAL AREA, JAIPUR

Collaborations/tie ups/ joint ventures

As on date of the offer, we do not have any collaboration/Tie Ups/Joint Ventures.

Quality Management

Our Company is committed to provide high-quality products to our customers and endeavour to maintain a quality system, which provides products in a timely manner and at competitive prices. Products are manufactured under controlled conditions & suitable working environment is provided. Adequate Hygienic conditions are maintained in our manufacturing facilities. We have adopted standard operating procedures to ensure product quality and customer satisfaction, which are focused on providing products conforming to applicable standards, meeting customer requirements, and improving performance and effectiveness of our quality management system. Quality checks are performed at various stages, including incoming material inspection, in-process checks, and final inspection.

Inventory Management

The quantity of our finished products is determined based on a combination of confirmed and expected orders based on past trends and market research. We have an inventory management procedures which provides various parameters for maintaining minimum and maximum stock levels of raw materials and finished products.

Sales and Marketing

The efficiency of the marketing and sales network is critical success factor of our Company. Our success lies in the strength of our relationship with our customers who have been associated with our Company for a long period. Our marketing team plays an instrumental role in creating and expanding the sales network of our Company. In order to maintain good relation with our customers, our promoters and our marketing team are regularly interacting with them and focus on gaining an insight into the additional needs of our customers.

In the home furnishing sector, we leverage an omni-channel distribution strategy to enhance our sales efforts. Our products are available in over 5,000 retail outlets through a robust network of more than 1,500 dealers and distributors. Additionally, since 2019, we have expanded our reach with our own sales website, <https://bellacasa.in/>.

Competition

Our industry presents significant entry barriers, including customer validation and approvals, expectation from customers for design innovation and cost reduction, high quality standards and stringent specifications. Despite of these barriers, we encounter significant competition from both organized and unorganized sectors. In the fashion and retail industry, customer decisions are heavily influenced by product range, quality, and pricing. Consequently, we compete with other manufacturers by focusing on these key factors.

Raw Material

We source fabric locally, and the subsequent dyeing and printing are carried out primarily on a job-work basis. The principal raw materials for our operations are fabric and dyed fabric represented 50.32% of our total cost of goods sold and are obtained through job work.

Utilities and Infrastructure facilities

Power: The requirement of power for our operations, like power for lighting and operating the machinery/equipment is met through the state electricity board (JVVNL). Our company has also installed 4 Nos diesel generator set 400 KVA , 320 KVA And 160 KVA, & 82 KVA for backup power supply. Our back-up diesel generators are crucial to our operations in case of power failures.

Water: Water requirement for the manufacturing and allied processes is minimal and the same is procured locally by way of existing water supply network in that area.

OUR MANAGEMENT

Board of Directors

The provisions of Companies Act and the Articles of Association require that our Board shall comprise of not less than three Directors and not more than fifteen Directors, provided that our Shareholders may appoint more than fifteen Directors after passing a special resolution in a general meeting.

As on the date of filing this Draft Letter of Offer, our Company currently has eight (8) Directors out of which one (1) is a Chairman and Executive Director, one (1) is a Managing Director, two (2) are Executive Directors, four (4) are Independent Directors out of which one (1) is Woman Director. Our Company is in compliance with the corporate governance laws prescribed under the SEBI Listing Regulations and the Companies Act in relation to the composition of our Board and constitution of committees thereof. The following table sets forth the details of our Board as on the date of filing of this Draft Letter of Offer:

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (in years)	Other directorships
<p>Harish Kumar Gupta</p> <p>Designation: Chairman and Executive Director</p> <p>Date of birth: July 27, 1957</p> <p>Address: A-669 Shiv Marg, Malviya Nagar, Jaipur - 302017, Rajasthan</p> <p>Occupation: Business</p> <p>Current term: July 31, 2020 to July 30, 2025</p> <p>Period of Directorship: Since February 5, 1996</p> <p>DIN: 01323944</p>	67	Nil
<p>Pawan Kumar Gupta</p> <p>Designation: Managing Director</p> <p>Date of birth: September 1, 1961</p> <p>Address: 71, Vidhyut Abhiyanta Colony, Malviya Nagar, Jaipur – 302017, Rajasthan</p> <p>Occupation: Business</p> <p>Current term: July 31, 2020 to July 30, 2025</p> <p>Period of Directorship: Since February 5, 1996</p> <p>DIN: 01543446</p>	62	Nil
<p>Saurav Gupta</p> <p>Designation: Executive Director</p>	43	Dynamic Cables Limited

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (in years)	Other directorships
<p>Date of birth: July 2, 1981</p> <p>Address: 71, Vidhyut Abhiyanta Colony, Malviya Nagar, Jaipur – 302017, Rajasthan</p> <p>Occupation: Business</p> <p>Current term: July 31, 2020 to July 30, 2025</p> <p>Period of Directorship: Since March 20, 2015</p> <p>DIN: 07106619</p>		
<p>Gaurav Gupta</p> <p>Designation: Executive Director</p> <p>Date of birth: July 2, 1981</p> <p>Address: A-669 Shiv Marg, Malviya Nagar, Jaipur - 302017, Rajasthan</p> <p>Occupation: Business</p> <p>Current term: July 31, 2020 to July 30, 2025</p> <p>Period of Directorship: Since March 20, 2015</p> <p>DIN: 07106587</p>	43	Nil
<p>Sharad Mangal</p> <p>Designation: Independent Director</p> <p>Date of birth: December 10, 1980</p> <p>Address: C-7, Behind TPS, Shastri Nagar, Jaipur, 302016, Rajasthan</p> <p>Occupation: Business</p> <p>Current term: July 15, 2020 to July 14, 2025</p> <p>Period of Directorship: Since July 15, 2015</p> <p>DIN: 01127317</p>	43	Shree Mangal Sodium India Private Limited
<p>Gunjan Jain</p> <p>Designation: Independent Director</p> <p>Date of birth: August 2, 1982</p> <p>Address: C-49, Panchsheel Colony, Near Purani Choongi, Ajmer Road, Jaipur, 302006, Rajasthan</p> <p>Occupation: Self employed</p>	42	Nil

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (in years)	Other directorships
Current term: July 15, 2020 to July 14, 2025 Period of Directorship: Since July 15, 2015 DIN: 07223400		
Kalpana Juneja Designation: Independent Director Date of birth: June 14, 1981 Address: A-38, Jai Shiv Apartments, West Enclave, Pritam Pura, New Delhi, 110034, Delhi Occupation: Self employed Current term: July 15, 2020 to July 14, 2025 Period of Directorship: Since July 15, 2015 DIN: 07226135	43	
Vikas Mathur Designation: Independent Director Date of birth: July 8, 1981 Address: B-125, Mangal Marg, Bapu Nagar, Jaipur, 302015, Rajasthan Occupation: Professional Current term: July 31, 2020 to July 30, 2025 Period of Directorship: Since July 31, 2015 DIN: 07252879	43	

Brief profiles of our Directors:

• **Mr. Harish Kumar Gupta, Chairman & Whole Time Director, Age: 67 Years**

Mr. Harish Kumar Gupta, approximately 67 years old, serves as the Chairman and Whole Time Director of our company. Over the years, Mr. Gupta has developed extensive expertise in manufacturing apparel and home furnishings. As the founder and promoter of the company, he has been instrumental in its growth and development from the beginning. With over 50 years of experience in the textile industry, Mr. Gupta plays a crucial role in shaping company policies and developmental activities.

Mr. Gupta is deeply involved in identifying, developing, and directing the implementation of business strategies. He is responsible for creating business plans, preparing comprehensive business reports, and ensuring the improvement of profit margins while maintaining high-quality standards for clients. Additionally, he oversees the Company's health, legislative compliance, and maintains connections with other trade and professional associations. He also manages the company's budget, ensuring expenditures remain within limits.

Beyond his professional responsibilities, Mr. Gupta is an active social figure, engaging in numerous philanthropic activities. He undertakes various initiatives to promote development among the people around him.

- **Mr. Pawan Kumar Gupta, Managing Director, Age: 62 years**

Pawan Kumar Gupta, approximately 62 years old, is the Managing Director of our company and has been a board member since its inception. As the founder and promoter, he brings over 32 years of experience in textile trading and 25 years in textile manufacturing. His dynamic leadership and extensive experience have been instrumental in delivering consistent value to our projects and expansion strategy.

Pawan Kumar Gupta's comprehensive knowledge of the organization, gained from working in almost all areas, enables him to effectively manage key functions such as purchasing and resource management. He is responsible for building and maintaining client relationships and is actively involved in planning and organizing the company's activities. Additionally, he plays a crucial role in motivating and developing the company's management personnel.

His varied experience and leadership help align our team towards achieving the vision set by the management.

- **Mr. Gaurav Gupta, Whole Time Director, Age: 43 years**

Mr. Gaurav Gupta, approximately 43 years old, is a Whole Time Director of our company. He holds a postgraduate diploma in International Trade from Bhartiya Vidya Bhawan, a diploma in Textile Design from NIFD, Jaipur, and an MBA in International Business.

For the past 24 years, Mr. Gupta has been overseeing all production-related functions of the company. His expertise has significantly contributed to the company's expansion into home furnishings and exports. His strategic vision and hands-on approach have driven operational efficiencies and product innovation, setting new standards in quality and design.

Currently, Mr. Gupta is responsible for elevating the company's digital platforms and enhancing the digital experience for consumers across all channels to drive consumer acquisition, retention, value, and revenue. His leadership in digital marketing has resulted in improved online presence, increased customer engagement, and higher conversion rates. He is also focused on leveraging data analytics to understand consumer behavior better and to personalize marketing strategies effectively.

- **Mr. Saurav Gupta, Whole Time Director, Age: 43 years**

He holds an MBA from IIM Ahmedabad and a Post Graduate Diploma in Apparel Marketing & Merchandising from NIFT. For the past 21 years, he has been managing the marketing, merchandising, and product development functions of the company. His expertise has been pivotal in accelerating growth in the apparel sector of the company.

Under his leadership, the company has introduced innovative products and expanded its market reach. He has successfully implemented strategies that have improved brand visibility and customer engagement. His ability to identify market trends and adapt to changing consumer preferences has significantly contributed to the company's competitive edge.

In addition to his professional achievements, he is known for his strategic vision and commitment to fostering a culture of excellence within the organization. His dedication to continuous improvement and his collaborative approach has been instrumental in driving the company's success.

- **Mr. Sharad Mangal, Non-Executive & Independent Director, Age 43 years**

Mr. Sharad Mangal, approximately 43 years old, has been serving as the Non-Executive Independent Director of our company since July 15, 2015. He holds a postgraduate degree in Commerce and brings over 21 years of extensive experience in the cables and conductor industry.

In addition to his role in our Company, Mr. Mangal is a Director at Shree Mangal Sodium India Private Limited and a major partner in Shri Nath Cables and Shri Krishna Wire & Electronics. His diverse expertise and leadership in these roles have significantly contributed to the growth and success of these organizations.

Mr. Mangal's deep industry knowledge and strategic insights are invaluable to our board, helping to guide our company's direction and ensure robust governance. His commitment to excellence and strong business acumen makes him a vital asset to our team.

- **Mr Gunjan Jain, Non-Executive & Independent Director, Age: 42 years**

With over 20 years of experience in the jewellery media industry, Mr. Gunjan Jain brings a wealth of knowledge and expertise to our company. A commerce graduate, he has had a distinguished career at International Journal House and is a major partner in Overlay. His extensive travels worldwide have refined his eye for aesthetics, and he is a skilled public speaker.

Mr. Jain joined our company as a Non-Executive Independent Director on July 15, 2015, and has since been a valuable asset to our team. His deep industry knowledge, coupled with his keen aesthetic sense, has provided our board with strategic insights and guidance. Mr. Jain's ability to communicate effectively and his global perspective have been instrumental in driving the company's vision forward. His dedication and expertise continue to contribute significantly to our company's success and growth.

- **Ms. Kalpana Juneja, Non-Executive & Independent Director, Age: 43 years**

Ms. Kalpana Juneja, approximately 43 years old, has been serving as the Non-Executive Independent Director of our company since July 15, 2015. She holds a Bachelor's degree in Information Systems from Guru Gobind Singh University. With over 21 years of experience in technology development, product development, data engineering, and data analytics, she brings a wealth of expertise to our board.

In addition to her technical expertise, Ms. Juneja is known for her ability to mentor and develop talent, fostering a culture of continuous learning and innovation within the organization. Her dedication and contributions have made her an invaluable asset to our team.

- **Dr. Vikas Mathur, Non-Executive & Independent Director, Age 43 years**

Dr. Vikas Mathur, approximately 43 years old, has been serving as a Non-Executive Independent Director of our company since July 31, 2015. He holds a Master's degree in Physiotherapy and brings around 16 years of extensive experience in his field.

CONFIRMATIONS

As on the date of this Draft Letter of Offer

1. Relationship between our Directors

Except as mentioned below, none of our Directors are related to each other:

Mr. Harish Kumar Gupta and Mr. Pawan Kumar Gupta are brothers.

Mr. Gaurav Gupta is son of Mr. Harish Kumar Gupta.

Mr. Saurav Gupta is son of Mr. Pawan Kumar Gupta.

2. None of our Directors have been nominated, appointed or selected pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.
3. Our Executive Directors have not entered into any service contracts with our Company which include termination or retirement benefits. Except statutory benefits upon termination of their employment in our Company or superannuation, none of the Executive Directors is entitled to any benefit upon termination of employment or superannuation.
4. None of our Directors have been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.
5. None of our Directors have been identified as Wilful Defaulter or a Fraudulent Borrower, as defined under as defined under the SEBI ICDR Regulations.
6. Our Directors are not, and have not, during the five years preceding the date of this Draft Letter of Offer, been on our board of any listed company whose shares have been or were suspended from being traded on the BSE or NSE during their term of directorship in such company.
7. None of our Directors in the past ten years, have been or are directors on our board of listed companies which have been or were delisted from any stock exchange(s) during their term of directorship in such company.

Corporate Governance

The provisions of the SEBI Listing Regulations and the Companies Act with respect to corporate governance are applicable to us.

Our Company is in compliance with the requirements of corporate governance in accordance with the SEBI Listing Regulations and the Companies Act, including those pertaining to the constitution of the Board and committees thereof.

Our Board undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations and the Companies Act. Our Board functions either directly, or through various committees constituted to oversee specific operational areas.

Committees of our Board of Directors

In addition to the committees of our Board of Directors detailed below, our Board of Directors may, from time to time constitute committees for various functions.

Audit Committee

The Audit Committee was constituted by a meeting of our Board held on August 01, 2015. The members of the Audit Committee are:

Name of Director	Position in the Committee	Designation
Sharad Mangal	Chairman	Independent Director
Gunjan Jain	Member	Independent Director

Name of Director	Position in the Committee	Designation
Harish Kumar Gupta	Member	Executive Director

The Company Secretary of our Company shall serve as the secretary of the Audit Committee. The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was constituted by a meeting of our Board held on July 16, 2015. The members of the Nomination and Remuneration Committee are:

Name of Director	Position in the Committee	Designation
Kalpana Juneja	Chairperson	Independent Director
Sharad Mangal	Member	Independent Director
Gunjan Jain	Member	Independent Director

The scope and functions of the Nomination and Remuneration Committee are in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted by a meeting of our Board held on August 01, 2015. The members of the Stakeholders' Relationship Committee are:

Name of Director	Position in the Committee	Designation
Kalpana Juneja	Chairperson	Independent Director
Sharad Mangal	Member	Independent Director
Pawan Kumar Gupta	Member	Managing Director

The Company Secretary of our Company acts as the Secretary to the Committee. The scope and functions of the Stakeholders' Relationship Committee are in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations.

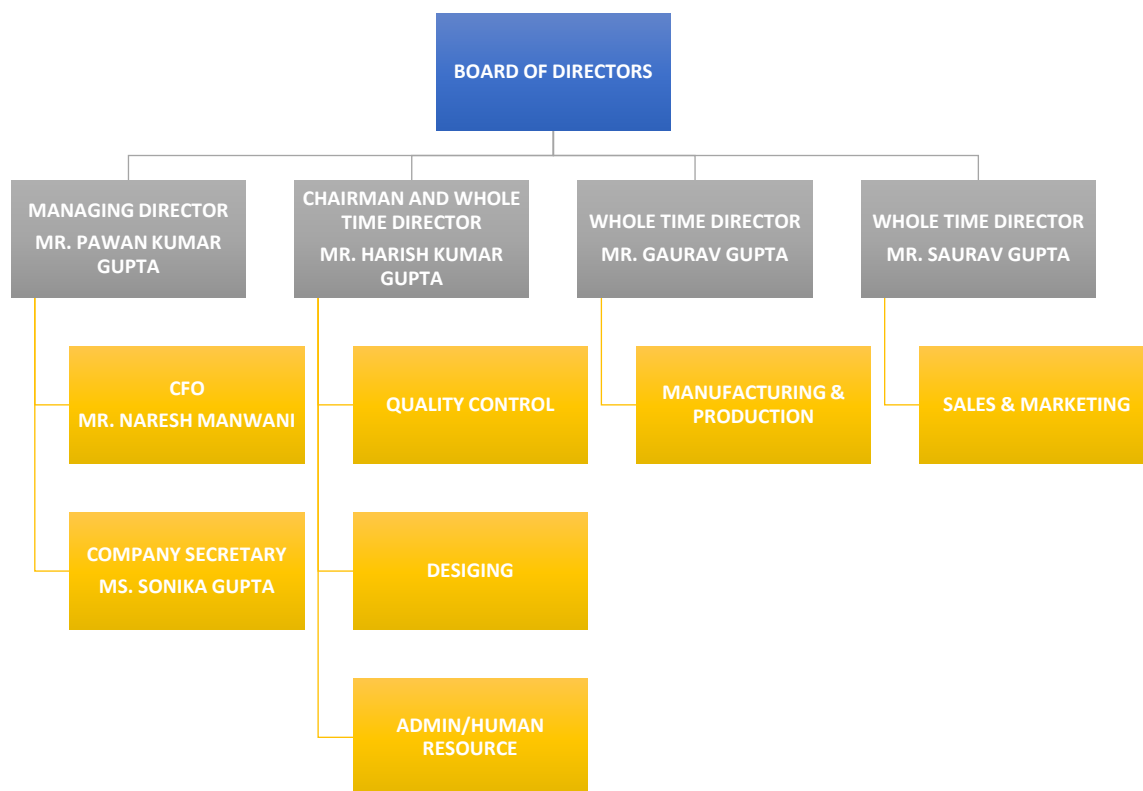
Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted by a meeting of our Board held on August 14, 2018. The members of the Corporate Social Responsibility Committee are:

Name of Director	Position in the Committee	Designation
Gunjan Jain	Chairman	Independent Director
Hairsh Kumar Gupta	Member	Executive Director
Pawan Kumar Gupta	Member	Managing Director

The scope and functions of the Corporate Social Responsibility Committee of our Company are in accordance with Section 135 of the Companies Act, 2013 and the applicable rules thereunder.

Management organization chart:



Key Management Personnel and Senior Management

The details of Key Managerial Personnel of our Company are given below:

Mr. Harish Kumar Gupta is the Chairman and Whole-Time Director of our Company. For details, please see “Our Management” on page 76.

Mr. Pawan Kumar Gupta is the Managing Director of our Company. For details, please see “Our Management” on page 76.

Mr. Saurav Gupta is the Whole-Time Director of our Company. For details, please see “Our Management” on page 76.

Mr. Gaurav Gupta is the Whole-Time Director of our Company. For details, please see “Our Management” on page 76.

Mr. Naresh Manwani, aged 45 years, is the Chief Financial Officer of our Company. He was appointed as the Chief Financial Officer of the Company with effect from June 12, 2015. He is a dedicated and accomplished finance professional with 23 years of experience across diverse industries. Holds an MBA in Finance and possesses a proven track record in financial analysis, budgeting, forecasting, and risk management. Demonstrates exceptional skills in stakeholder collaboration and strategic planning. Adept at implementing financial strategies that drive business growth and enhance operational efficiency. Known for a detail-oriented approach and the ability to deliver actionable insights and recommendations.

Ms. Sonika Gupta, aged 33 years, is the Company Secretary and Compliance Officer of our Company. She was appointed as the Company Secretary and Compliance Officer of the Company with effect from June 29, 2015. She provides valuable advice to the Board of Directors on best practices for corporate governance. With an LLB degree and 10 years of experience, she ensures the company complies with all legal rules and regulations. She helps the company navigate complex legal issues, maintains high standards of governance, and supports smooth and effective operations. Her role is crucial in protecting the company's reputation, aiding in strategic decision-making, and ensuring the company operates efficiently and ethically.

Status of Key Managerial Personnel

All the Key Managerial Personnel are permanent employees of our Company.

Relationship amongst the Key Management Personnel

Except as mentioned below, none of our KMPs are related to each other:

Mr. Harish Kumar Gupta and Mr. Pawan Kumar Gupta are brothers.

Mr. Gaurav Gupta is son of Mr. Harish Kumar Gupta.

Mr. Saurav Gupta is son of Mr. Pawan Kumar Gupta.

Shareholding of the Key Management Personnel

None of our Key Managerial Personnel holds any shares of our Company as on the June 30, 2024 being closer to the date of this Draft Letter of Offer except as mentioned below:

Sr. No.	Name of the Shareholder	No. of Equity Shares held	Percentage of pre-Issue Capital (%)
1.	Harish Kumar Gupta	11,71,414	10.21
2.	Pawan Kumar Gupta	11,32,064	9.87
3.	Gaurav Gupta	10,57,000	9.21
4.	Saurav Gupta	10,01,975	8.73
5.	Naresh Manwani	4500	0.04

SECTION V

FINANCIAL INFORMATION

Sr. No.	Details	Page Number
1.	Restated Financial Statements for the year ended March 31, 2024 along with Audit report	86
2.	Restated Financial Statements for the year ended March 31, 2023 along with Audit report	86
3.	Restated Financial Statements for the year ended March 31, 2022 along with Audit report	86



INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION

The Board of Directors
Bella Casa Fashion & Retail Limited

Dear Sirs,

1. We have examined the attached Restated Financial Information of Bella Casa Fashion & Retail Limited (the "Company" or the "Issuer"), comprising the Restated Statement of Assets and Liabilities as at, March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Statements of Profit and Loss (including other comprehensive income), the Restated Statement of Changes in Equity, the Restated Cash Flow Statement for the for the years ended March 31, 2024, March 31, 2023 and March 31, 2022, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company (the 'Board') at their meeting held on August 16 2024 for the purpose of inclusion in the Letter of Offer (the 'LOF'), prepared by the Company in connection with its Right Issue of its Equity Shares of the Company (the 'Issue') prepared in terms of the requirements of:
 - a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
 - b) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").
2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the LOF to be filed with Securities and Exchange Board of India, BSE Limited ('BSE') and Registrar of Companies, Rajasthan in connection with the Right Issue. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Note 1 'Material Accounting Policies' to the Restated Financial Information. The Board of Directors of the Company's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Company's Board of Directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
3. We have examined such Restated Financial Information taking into consideration:
 - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated August 09, 2024 in connection with the Right Issue of the Equity Shares of the Company;
 - b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

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VIKAS JAIN & ASSOCIATES
CHARTERED ACCOUNTANTS

- c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
- d) The requirements of the ICDR Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the Right Issue.

4. These Restated Financial Information have been compiled by the management from Audited Ind AS financial statements of the Company as at and for the year ended March 31, 2024, March 31, 2023 and March 31, 2022, which were prepared in accordance with Indian Accounting Standard (Ind AS), specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India which have been approved by the Board of Directors at their meeting held on May 20, 2024, May 29, 2023 and May 23, 2022, respectively. The audited Ind AS financial statements of the Company for the year ended March 31, 2024 is yet to be adopted by the shareholder in the Annual General Meeting.
5. For the purpose of our examination, we have relied on Independent Auditors' reports issued by us dated on May 20, 2024, May 29, 2023 and May 23, 2022 on the financial statements of the Company as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022, respectively, as referred in paragraph 4 above.
6. Based on our examination, in accordance with the ICDR Regulations and the Guidance Note, and according to the information and explanation given to us, we report that the Restated Financial Information:
 - a) The Restated Financial Information have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the financial year ended March 31, 2024.
 - b) There are no qualifications in auditor's reports on the audited financial statements of the Company as at and for the years ended on March 31, 2024, March 31, 2023 and March 31, 2022, which would require adjustments in the Restated Financial Information.
 - c) Restated Financial Information are free of material misstatements, including omissions. We have considered the errors and have determined that they are individually and collectively not material to the Restated Financial Information.
 - d) Restated Financial Information have been prepared in accordance with the Act, applicable ICDR Regulations and the Guidance Note.



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CHARTERED ACCOUNTANTS**

7. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the audited financial statements mentioned in paragraph 4 above.
8. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
9. We have no responsibility to update our report for events and circumstances occurring after the date of this report.
10. Our report is intended solely for use of the Board of Directors for inclusion in the LOF to be filed with Securities and Exchange Board of India, BSE Limited and Registrar of Companies, Rajasthan in connection with the Right Issue proposed of the Company. 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.

For Vikas Jain & Associates
Chartered Accountants
FRN: 0068023



[Harshit Karodia]
Partner
M. No. 429023

Place: Jaipur
Date: 16-08-2024
UDIN: 24429023BKBIPB4833

O-14, 2ndFloor, Amber Tower, S.C. Road, Jaipur-302001
☎:0141-4025399,4700635
E-mail: audit1@vjaca.com

BELLA CASA FASHION & RETAIL LIMITED

Regd Office : E-102,103, EPIP, Sitapura Industrial Area, Jaipur CIN: L17124RJ1996PLC011522
Tel: 0141-2771844, Email: saurav@bellacasa.in, info@bellacasa.in, website: www.bellacasa.in

BALANCE SHEET AS RESTATED

Rs in Lakhs

Particulars	Note No.	As at 31st March, 2024	As at 31st March, 2023	As at 31st March, 2022
ASSETS				
Non-Current Assets				
(a) Property, Plant and Equipment	2	1,674.84	1,522.33	1,455.03
(b) Capital Work-In-Progress	2	-	-	12.00
(c) Right of use assets	2A	121.29	164.24	207.19
(d) Intangible Assets	3	9.57	13.54	10.84
(e) Financial Assets				
(i) Investments	4	0.15	0.15	0.15
(ii) Other Financial Assets	5	62.64	46.88	45.96
(f) Other Non-Current Assets				
Sub-total - Non-Current Assets		1,868.50	1,747.14	1,731.18
Current Assets				
(a) Inventories	6	10,204.65	8,888.32	8,142.38
(b) Financial Assets				
(i) Investments	7	73.04	42.61	43.54
(ii) Trade Receivables	8	3,851.37	3,586.48	5,033.74
(iii) Cash and Cash Equivalents	9	13.25	16.80	14.87
(iv) Bank balances other than above (iii)	10	1.00	0.98	1,080.84
(v) Other Financial Assets	11	5.53	8.34	10.05
(c) Current Tax Asset (Net)	23	-	-	0.28
(d) Other Current Assets	12	94.86	93.10	193.09
Sub-total - Current Assets		14,243.70	12,636.63	14,518.78
Assets held for sale		-	-	3.00
Total Assets		16,112.20	14,383.77	16,252.97
EQUITY AND LIABILITIES				
EQUITY				
(a) Equity Share Capital	13	1,147.50	1,147.50	1,147.50
(b) Other Equity	14	7,340.39	6,412.41	5,817.22
Sub-total - Equity		8,487.89	7,559.91	6,964.72
LIABILITIES				
Non-Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	15	-	211.08	528.81
(ii) Lease Liability		94.11	141.79	178.00
(b) Provisions	16	46.21	31.65	28.00
(c) Deferred Tax Liabilities (Net)	17	42.64	52.64	72.80
Sub-total - Non-Current Liabilities		182.95	437.16	807.61
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	18	4,201.92	3,543.89	5,064.15
(ii) Lease Liability		47.68	41.40	40.93
(iii) Trade Payables	19			
- Total Outstanding Dues of Micro Enterprises & Small Enterprises		928.24	14.78	33.31
- Total Outstanding Dues of Creditors other than Micro Enterprises & Small Enterprises		1,853.28	2,560.97	3,056.02
(iv) Other Financial Liabilities	20	245.87	134.67	195.65
(b) Other Current Liabilities	21	47.55	18.80	40.26
(c) Provisions	22	55.60	54.00	50.31
(d) Current Tax Liabilities (Net)	23	61.21	18.20	-
Sub-total - Current Liabilities		7,441.36	6,386.71	8,480.64
Total Equity and Liabilities		16,112.20	14,383.77	16,252.97

Material Accounting Policies, Notes on Accounts and other disclosures from Note No. 1 to 54 forming part of these financial statements.

For and on behalf of the Board of Directors of Bella Casa

For BELLA CASA FASHION & RETAIL LIMITED

For BELLA CASA FASHION & RETAIL LIMITED

Harish Kumar Gupta
Chairman Cum Whole Time Director
DIN: 01323944

Pawan Kumar Gupta
Managing Director
DIN: 01543446

As per our report of even date attached

For Vikas Jain & Associates
Chartered Accountants
FRN: 006803C

For BELLA CASA FASHION & RETAIL LIMITED

Naresh Mahwani
Chief Financial Officer

Sonika Gupta
Company Secretary
Place: Jaipur

Harshit Karodia
Partner
M. No. 429023

Date: 16.08.24

BELLA CASA FASHION & RETAIL LIMITED

Regd Office : E-102,103, EPIP,Sitapura Industrial Area, Jaipur CIN: L17124RJ1995PLC011522
Tel: 0141-2771844, Email: saurav@bellacasa.in, info@bellacasa.in, website: www.bellacasa.in
STATEMENT OF PROFIT AND LOSS AS RESTATED

Rs in lakhs

Particulars	Note No.	Year Ended		
		31st March 2024	31st March 2023	31st March 2022
Income				
Revenue from operations	24	23,009.88	20,176.32	20,581.23
Other income	25	36.45	53.35	57.13
Total Income		23,046.34	20,229.68	20,638.35
Expenses:				
Cost of materials consumed	26	10,466.23	10,078.67	9,256.99
Direct Manufacturing Expenses	27	10,334.75	8,618.25	8,271.52
Changes in inventories of finished goods and Work-in-progress	28	(1,320.91)	(1,569.69)	(360.27)
Employee benefits expenses	29	772.03	684.46	511.12
Finance costs	30	387.80	389.79	467.36
Depreciation and Amortisation Expenses	2	188.57	176.53	169.38
Other expenses	31	860.49	818.52	785.37
Total expenses		21,688.95	19,196.53	19,101.48
Profit before tax		1,357.39	1,033.15	1,536.87
Tax expense:				
Current tax		357.00	282.00	395.00
Income tax for earlier year		(7.04)	(3.14)	6.52
Deferred tax		(10.78)	(21.73)	19.16
Total Tax Expenses		339.17	257.12	420.68
Profit for the year		1,018.22	776.03	1,116.19
Other Comprehensive Income				
A. Items that will not be reclassified to profit or loss				
- Actuarial gains/(losses) on defined benefit plans		3.11	6.25	10.29
- Tax relating to Net actuarial gains/(losses) on defined benefit plans		(0.78)	(1.57)	(2.59)
B. Items that will be reclassified to profit or loss (net of tax)				
Total Other Comprehensive Income for the year		2.33	4.67	7.70
Total Comprehensive Income for the year (Comprising Profit and Other Comprehensive Income for the year)		1,020.55	780.70	1,123.89
Paid up Equity Share Capital (Face value of Rs. 10 each)		1,147.50	1,147.50	1,147.50
Other Equity excluding Revaluation Reserve		7,340.39	6,412.41	5,817.22
Earnings per equity share: (Face value per Equity Share of Rs. 10 each) (In Rs.)	33			
(1) Basic		8.89	6.80	9.79
(2) Diluted		8.89	6.80	9.79

Material Accounting Policies, Notes on Accounts and other disclosures from Note No. 1 to 54 forming part of these financial statements.

For and on behalf of the Board of Directors
of Bella Casa Fashion & Retail Limited

For BELLA CASA FASHION & RETAIL LIMITED

Harish Kumar Gupta
Harish Kumar Gupta
Chairman cum Whole-Time Director
DIN: 01323944

DIN: 01323944

For BELLA CASA FASHION & RETAIL LIMITED

Narash Manwani
Narash Manwani
Chief Financial Officer

Date: 16.08.24

For BELLA CASA FASHION & RETAIL LIMITED

Pawan Kumar Gupta
Pawan Kumar Gupta
Managing Director
DIN: 01543446

Sonika Gupta
Sonika Gupta
Company Secretary

Place: Jaipur

As per our report of even date attached

For Vikas Jain &
Associates

Chartered Accountants
FRN-006803C

Harshit Karodia
Harshit Karodia
Partner

M. No. 429023

BELLA CASA FASHION & RETAIL LIMITED

Regd Office : E-102,103, EPIP, Sitapura Industrial Area, Jaipur CIN: L17124RJ1996PLC011522

Tel: 0141-2771844, Email: saurav@bellacasa.in, info@bellacasa.in, website: www.bellacasa.in

STATEMENT OF CASH FLOW AS RESTATED

PARTICULARS	Rs in lakhs					
	For the year ended 31st March 2024		For the year ended 31st March 2023		For the year ended 31st March 2022	
	Details	Amount	Details	Amount	Details	Amount
(A) CASH FLOW FROM OPERATING ACTIVITIES-						
Net Profit Before Tax as per Statement of Profit and Loss		1,357.39		1,033.15		1,536.87
Adjusted for:						
Depreciation/amortization expenses	188.57		176.53		169.38	
Interest on Security Deposit	(0.63)		(0.58)		0.08	
Actuarial gains/(losses) on defined benefit plans (Gross of Tax)	3.11		-		-	
Loss on Sale of Fixed Asset	0.32		-		-	
Interest Received on Fixed Deposits	(1.66)		(19.13)		(50.96)	
Fair Value Gain on Equity Instruments	(18.12)		-		(2.74)	
Fair Value Loss on Equity Instruments	-		3.20		-	
Long Term Capital Gain on Equity Investments	(6.34)		-		-	
Short Term Capital Gain on Equity Investments	(8.88)		(2.98)		(2.89)	
Short/Long Term Capital Loss on Equity Investments	1.04		4.56		4.46	
Dividend Received	(0.82)		(0.25)		-	
Interest Paid	373.90		378.78		460.15	
		530.49		540.14		577.47
Operating Profit before Working Capital Changes		1,887.87		1,573.29		2,114.34
Adjusted for:						
(Increase)/Decrease in Trade & other receivable	(263.84)		1,552.38		(621.55)	
(Increase)/Decrease in Inventories	(1,316.33)		(745.94)		(429.57)	
(Increase)/Decrease in Bank balances other than cash & cash equivalents	(0.02)		(0.17)		(0.06)	
Increase/(Decrease) Trade Payables and other payables	361.88		(388.89)		(953.24)	
Cash Generated from operations		(1,218.31)		217.38		(2,004.42)
Income Tax Paid Inflow/(Outflow)		(306.94)		(263.80)		(395.02)
Net Cash Flow From Operating Activities (A)		362.62		1,526.87		(285.10)
(B) CASH FLOW FROM INVESTING ACTIVITIES						
Purchase of Property, Plant & Equipment	(297.27)		(192.36)		(232.11)	
Sale of Property, Plant & Equipment	2.03		3.00		-	
Maturity Proceeds of Fixed Deposits	-		1,000.02		-	
Net Change in Investments	-		-		(38.60)	
Payment for Security Deposit of Rent for Lease Land(E-103)	(14.00)		-		-	
Creation of Fixed Deposits	(1.13)		(0.32)		(220.13)	
Investment in Girik Investment	(12.31)		(2.27)		-	
Gain on Sale of equity investments	15.22		2.98		2.89	
Loss on Sale of equity investments	(1.04)		(4.56)		(4.46)	
Dividend Received	0.82		0.25		-	
Interest Received	1.66		19.13		50.96	
Net Cash used in Investing activities (B)		(306.02)		905.87		(441.45)
(C) NET CASH FLOW FROM FINANCING ACTIVITIES						
Proceeds From Borrowings	454.73		-		1,249.18	
Repayment of Borrowings	(7.78)		(1,831.54)		(167.89)	
Payment of Dividend	(91.80)		(184.75)		(154.91)	
Finance costs paid on lease obligation	(14.83)		(18.09)		(20.90)	
Payment of Lease Liability	(41.40)		(35.75)		(30.66)	
Interest Paid	(359.07)		(560.68)		(439.25)	
Net cash flow from Financing Activities (C)		(60.15)		(2,430.81)		435.57
Net Increase/ (Decrease) in cash and cash equivalent (A+B+C)		(60.15)		1.93		(290.98)
Opening balance of cash and cash equivalents		16.80		14.87		305.84
Closing balance of cash and cash equivalents		13.25		16.80		14.87

Note:- Cash & Cash Equivalent consists of Following:-

	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Cash on Hand	4.43	7.06	8.25
Balance With Banks	3.76	4.73	#####
FDR With Banks	5.06	5.01	#### #####
	13.25	16.80	14.87

Note:

- The above Statement of Cash Flow has been prepared under the 'Indirect Method' for Cash Flow From Operating Activities as set out in Ind AS 7, 'Statement of Cash Flows'.
- Refer Note No. 43 for details of undrawn borrowings facilities that may be available for the future operating activities and to settle future capital commitment.
- Figures in bracket indicate cash outflow.

4. Disclosure As Per Ind AS 7: Statement of Changes in Cash Flows

Detail of non-cash transactions from investing and financing activities are given here under:

Particulars	As at 01.04.2023	Cash Flow (net)	Non Cash Changes		As at 31.03.2024
			Fair Value adjustment	Other	
Investing Activities					
Right of use assets	164.24	-	-	(42.95)	121.29
Current investment	42.61	12.31	18.12	-	73.04
Financing Activities					
Lease liabilities	183.19	(41.40)	-	-	141.79

Particulars	As at 01.04.2022	Cash Flow (net)	Non Cash Changes		As at 31.03.2023
			Fair Value adjustment	Other	
Investing Activities					
Right of use assets	207.19	-	-	(42.95)	164.24
Current investment	43.54	2.27	(3.20)	-	42.61
Financing Activities					
Lease liabilities	218.94	(35.75)	-	-	183.19

Particulars	As at 01.04.2021	Cash Flow (net)	Non Cash Changes		As at 31.03.2022
			Fair Value adjustment	Other	
Investing Activities					
Right of use assets	250.14	-	-	(42.95)	207.19
Current investment	-	(40.79)	2.74	-	43.54
Financing Activities					
Lease liabilities	249.60	(30.66)	-	-	218.94

For BELLA CASA FASHION & RETAIL LIMITED

For and on behalf of the Board of Directors
of Bella Casa Fashion & Retail Limited

Harish Kumar Gupta
Chairman Cum Whole Time Director
DIN: 01529944

For BELLA CASA FASHION & RETAIL LIMITED

Narash Manwani
Chief Financial Officer
Date: 16.08.24

For BELLA CASA FASHION & RETAIL LIMITED

Pawan Kumar Gupta
Managing Director
DIN: 01543446



As per our report even date attached
For Vikas Jain & Associates
Chartered Accountants
FRN-0088030



BELLA CASA FASHION & RETAIL LIMITED
STATEMENT OF CHANGES IN EQUITY AS RESATATED

A. Equity Share Capital				
As at 31st March 2024				
Particulars	No. of Shares		(Rs. in lacs)	
			Amount	
Balance at the beginning of the year		1,14,75,000	1,147.50	
Changes in Equity Share Capital during the year		-	-	
Balance as at 31st March, 2024		1,14,75,000	1,147.50	
As at 31st March 2023				
Particulars	No. of Shares		(Rs. in lacs)	
			Amount	
Balance at the beginning of the year		1,14,75,000	1,147.50	
Changes in Equity Share Capital during the year		-	-	
Balance as at 31st March, 2023		1,14,75,000	1,147.50	
As at 31st March 2022				
Particulars	No. of Shares		(Rs. in lacs)	
			Amount	
Balance at the beginning of the year		1,14,75,000	1,147.50	
Changes in Equity Share Capital during the year		-	-	
Balance as at 31st March, 2022		1,14,75,000	1,147.50	
B. Other Equity				
For the year ended Balance as at 31st March 2024				
Particulars	Reserve and surplus			Total
	Capital Reserve	Securities Premium	Retained Earnings	
Balance at the beginning of the 1st April 2023	3.26	1,815.60	4,593.54	6,412.40
Profit for the period	-	-	1,018.22	1,018.22
Other comprehensive Income	-	-	2.33	2.33
Total Comprehensive Income for the Year	3.26	1,815.60	5,614.09	7,432.95
Depreciation for the year (Charged to Capital Reserve)	(0.76)	-	-	(0.76)
Dividend on equity shares paid during the year	-	-	(91.80)	(91.80)
Balance as at 31st March 2024	2.50	1,815.60	5,522.29	7,340.39
For the year ended 31st March 2023				
Particulars	Reserve and surplus			Total
	Capital Reserve	Securities Premium	Retained Earnings	
Balance at the beginning of the 1st April 2022	4.02	1,815.60	3,997.59	5,817.22
Profit for the year	-	-	776.03	776.03
Other comprehensive Income	-	-	4.67	4.67
Total Comprehensive Income for the Year	-	-	780.70	780.70
Depreciation for the year (Charged to Capital Reserve)	(0.76)	-	-	(0.76)
Dividend on equity shares paid during the year	-	-	(184.75)	(184.75)
Balance as at 31st March 2023	3.26	1,815.60	4,593.54	6,412.41
For the year ended 31st March 2022				
Particulars	Reserve and surplus			Total
	Capital Reserve	Securities Premium	Retained Earnings	
Balance at the beginning of the year	4.79	1,815.60	3,028.62	4,849.01
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the Year	4.79	1,815.60	3,028.62	4,849.01
Profit for the Year	-	-	1,116.19	1,116.19
Other comprehensive income	-	-	7.70	7.70
Total Comprehensive Income for the Year	-	-	1,123.89	1,123.89
Depreciation for the year (Charged to Capital Reserve)	(0.76)	-	-	(0.76)
Dividend on equity shares paid during the period	-	-	(154.91)	(154.91)
Balance as at 31st March 2022	4.02	1,815.60	3,997.59	5,817.22



Annexure I- Statement of Material Restatement Adjustments and Regroupings

1.1 Material Restatement Adjustments and Regroupings

The Restated Financial Statements of **Bella Casa Fashion & Retail Limited** comprises the Restated Summary Statement of Assets and Liabilities as at March 31, 2024, March 31, 2023 and March 31, 2022, the Restated Summary Statement of Profit & Loss Account (including Other Comprehensive Income), the Restated Summary Statement of Changes in Equity and the Restated Financial Statement of Cash Flows for the years ended March 31, 2024, March 31, 2023 and March 31, 2022, and the summary statement of notes and other explanatory information to the Restated Summary Statements (*collectively, the "Restated Financial Statements"*), and have been prepared solely for the purpose of inclusion in the Draft Letter of Offer or Letter of Offer ("*Offer Documents*") to be filed with BSE Limited and the same shall be disseminate to the Securities and Exchange Board of India ("*SEBI*") for information purpose only and any other regulatory authorities in connection with the proposed rights issue of equity shares of Rs. 10/- each of the Company.

1.2 Material Restatement Adjustments

The accounting policies applied as at and for the years ended March 31, 2023 and March 31, 2022 are consistent with those adopted in the preparation of financial statements for the year ended March 31, 2024.

1.3 Material Re-groupings

Appropriate re-groupings have been made in the Restated Financial statements of assets and liabilities, profit and loss and cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the Financial Statement of the Company for the year ended March 31, 2024 prepared in accordance with Schedule III of the Companies Act 2013, requirements of Ind AS 1 - 'Presentation of financial statements' and other applicable Ind AS principles and the requirements of the SEBI ICDR regulations, as amended.

1.4 Material errors

There are no material errors that require adjustment in the Restated Financials Statements.



Note No. 1 : Company Information and Material Accounting Policies

A. Corporate Information

Bellacasa Fashions & Retail Limited (the "Company") is a Company domiciled in India and limited by shares (CIN: L17124RJ1996PLC011522). The shares of the Company are publicly traded on the BSE Limited (Dealings on the SME Platform of Exchange from October 15, 2015 to March 08, 2018 and then migrated & admitted to dealings on the Mainboard Platform). The address of the Company's registered office is E-102, 103 EPIP, Sitapura industrial area, Jaipur, Rajasthan 302022, India. The Company is engaged in manufacturing of home furnishings/home madeups, women ethnic wear and men's ethnic wear.

B. Statement of Compliance and Basis of Preparation

1 Statement of Compliance

The standalone financial statements are prepared on going concern basis following accrual basis of accounting and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent notified and applicable).

2 Basis of measurement/Use of Estimates

The financial statements have been prepared on accrual basis under the historical cost basis except for certain financial assets and liabilities (including derivative instruments) that are measured at fair value (refer accounting policy regarding financial instruments). The methods used to measure fair values are discussed further in Notes no. 45 to financial statements.

The preparation of financial statements requires judgments, estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized. Major Estimates are discussed in Part E.

3 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest Lakhs (upto two decimals), except as stated otherwise.

4 Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets/liabilities are classified as non-current.



C. Significant accounting policies

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

1 Property, plant and equipment

1.1. Initial recognition and measurement

An item of property, plant and equipments recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Items of property, plant and equipment are initially recognized at cost. Subsequent measurement is done at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition, inclusive of non-refundable taxes & duties, necessary for it to be capable of operating in the manner intended by management.

When parts of an item of property, plant and equipment have different useful lives, they are recognized separately.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized. Other spare parts are carried as inventory and recognized in the statement of profit and loss on consumption.

1.2. Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized.

The costs of the day-to-day servicing of property, plant and equipment are recognized in statement of profit or loss as incurred.

1.3. Derecognition

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on de-recognition of an item of property, plant and equipment are determined by comparing the proceeds from disposal, if any, with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

1.4. Depreciation/amortization

Depreciation is recognized in statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leasehold lands are amortized over the lease term unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.



Depreciation on additions to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed.

Where it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably, subsequent expenditure on a PPE along-with its unamortized depreciable amount is charged off prospectively over the revised useful life.

In circumstance, where a property is abandoned, the cumulative capitalized costs relating to the property are written off in the same period.

2 Capital work-in-progress

The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.

3 Intangible assets

3.1. Initial recognition and measurement

An intangible asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the company and the cost of the asset can be measured reliably.

Intangible assets that are acquired by the Company, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

3.2. Subsequent costs:

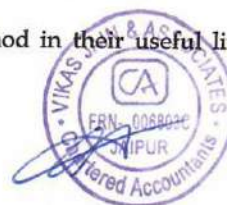
Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

3.3. De-recognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains & losses on de-recognition of an item of intangible assets are determined by comparing the proceeds from disposal, if any, with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

3.4. Amortization

Intangible assets having definite life are amortized on straight line method in their useful lives. Useful life of computer software is estimated at five years.



4 Assets Held for Sale

Non-current assets and disposal group are classified as "Held for Sale" if their carrying amount is intended to be recovered principally through sale rather than through continuing use. The condition for classification of "Held for Sale" is met when the non-current asset or the disposal group is available for immediate sale and the same is highly probable of being completed within one year from the date of classification as "Held for Sale". Non-current assets and disposal group held for sale are measured at the lower of carrying amount and fair value less cost to sell. Non-current assets and disposal group that ceases to be classified as "Held for Sale" shall be measured at the lower of carrying amount before the non-current asset and disposal group was classified as "Held for Sale" adjusted for any depreciation/ amortization and its recoverable amount at the date when the disposal group no longer meets the "Held for sale" criteria.

5 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction/ development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which necessarily take substantial period of time to get ready for their intended use or sale.

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of (a) interest expense calculated using the effective interest method as described in Ind AS 109 - 'Financial Instruments' (b) finance charges in respect of finance leases recognized in accordance with Ind AS 17 - 'Leases' and (c) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized as an expense in the year in which they are incurred.

6 Inventories

Inventories are valued at the lower of cost and net realizable value. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on FIFO basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Spare parts other than those capitalized as Property, Plant and Equipment are carried as inventory.

The diminution in the value of obsolete, unserviceable and surplus stores & spares is ascertained on review and provided for.

7 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

8 Government grants

Government grants are recognized only when its reasonable certainty that economics benefit flow to the entities and attached conditions will be complied with it. Government grants are recognized and shown in the balance sheet as liability and income is accrued based on the terms of schemes in the statement of profit and loss over a phased manner in consideration with scheme terms and related use of assets.

Government grants related to depreciable property, plant & equipment is treated as deferred income which is recognised in the Statement of Changes in Equity (SOCE) on a systematic and rational basis over the useful life of the asset i.e. such grants is allocated to income over the periods and in the proportion in which depreciation on those assets is charged.



9 Provisions and contingent liabilities and Contingent Assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance costs.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

10 Foreign currency transactions and translation

Transactions in foreign currencies are initially recorded at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss in the year in which it arises.

Non-monetary items are measured in terms of historical cost in a foreign currency ~~are translated using the exchange rate at the date of the transaction.~~



11 Revenue recognition

The Company derives revenues primarily from sale of manufactured goods and related services.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Company recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale. Therefore, a refund liability, included in other current liabilities, are recognized for the products expected to be returned.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, it does not adjust any of the transaction prices for the time value of money.

Revenue in excess of invoicing are classified as contract asset while invoicing in excess of revenues are classified as contract liabilities.

Other income

Interest income is recognized, when no significant uncertainty as to measurability or collectability exists, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR).

Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realization.

When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

Dividend income is recognized in profit or loss on the date that the Company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

12 Employee benefits

12.1. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under performance related pay if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

12.2. Post-Employment benefits

Employee benefit that are payable after the completion of employment are Post-Employment Benefit (other than termination benefit). These are of two type:



12.2.1. Defined contribution plans

Defined contribution plans are those plans in which an entity pays fixed contribution into separate entities and will have no legal or constructive obligation to pay further amounts. Provident Fund and Employee State Insurance are Defined Contribution Plans in which the Company pays a fixed contribution and will have no further obligation.

12.2.2. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Company pays Gratuity as per provisions of the Gratuity Act, 1972. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a liability to the company, the present value of liability is recognized as provision for employee benefit. Any actuarial gains or losses are recognized in Other Comprehensive Income ("OCI") in the period in which they arise.

13 Income tax

Tax expense comprises current tax and deferred tax. Current tax expense is recognized in the statement of profit or loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in OCI or equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years. Current taxes are recognized under 'Income tax payable' net of payments on account, or under 'Tax receivables' where there is a debit balance.

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax is recognized in the statement of profit or loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time that the liability to pay the related dividend is recognized.



14 Leases

14.1. As lessee

Accounting for finance leases

Leases of Property, Plant and Equipment where the Company, as lessee has substantially all risks and rewards of ownership are classified as finance lease. On initial recognition, assets held under finance leases are recorded as Property, Plant and Equipment and the related liability is recognized under borrowings. At inception of the lease, finance leases are recorded at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability.

Accounting for operating leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating lease. Payments made under operating leases are recognized as an expense over the lease term.

15 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

16 Dividends

Dividends and interim dividends payable to a Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

17 Material Prior Period Errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest prior period presented, the opening balances of assets, liabilities and equity for the earliest prior period presented, are restated.



18 Earnings per share

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

19 Statement of Cash Flows

Cash flow statement is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of Cash Flows' for operating activities.

20 Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in statement of profit and loss.

20.1 Financial assets

On initial recognition, a financial asset is recognised at fair value. All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVOCI) depending on the classification of the financial assets.

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

Trade Receivables and Loans:

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.



Equity Instruments:

All investments in equity instruments classified under financial assets are initially measured at fair value. The Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by instrument basis. Fair value changes on an equity instrument is recognised in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised in the Statement of Profit and Loss.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of financial assets

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category.

ECL is the weighted-average of difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate, with the respective risks of default occurring as the weights. When estimating the cash flows, the Company is required to consider:

- a All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- b Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.



20.2. Financial liabilities and equity instruments

Classification as equity

Equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognized and deducted directly in equity. No gain or loss is recognized in statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit or loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

All financial liabilities are subsequently measured at amortized cost using the effective interest method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss. Interest expense are included in the 'Finance costs' line item. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

Derivative financial instruments

The Company uses forwards to mitigate the risk of changes in interest rates, exchange rates and commodity prices. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss. The counterparty for these contracts is generally a bank.

D. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.



E. Major Estimates made in preparing Financial Statements

1 Useful life of property, plant and equipment and intangible assets

The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Useful life of the assets other than Plant and machinery are in accordance with Schedule II of the Companies Act, 2013.

The Company reviews at the end of each reporting date the useful life of property, plant and equipment, and are adjusted prospectively, if appropriate. Intangible assets is being amortized on straight line basis over the period of five years.

2 Post-employment benefit plans

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

3 Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.



Note No. 2 : Non-Current Assets: Property, Plant and Equipment
As at 31st March 2024

Particulars	Gross Block				Accumulated Depreciation			Net Block		
	Balance as at 1st April 2023	Additions During the Year	Deductions for the Year	Balance as at 31st March 2024	Balance as at 1st April 2023	Depreciation/Amortisation charged for the Year	Deductions for the Year	Balance as at 31st March 2024	Balance as at 31st March 2024	Balance as at 31st March 2023
I) Property Plant and Equipment										
A) Leasehold Land	11.76	-	-	11.76	0.75	0.14	-	0.89	10.87	11.01
B) Buildings	926.58	114.78	-	1,041.36	136.84	21.95	-	168.20	873.15	789.74
C) Plant & Equipment	705.62	131.57	-	837.19	202.90	52.44	-	255.34	581.85	502.72
D) Furniture and Fixtures	197.45	27.77	-	225.23	71.90	20.11	-	92.02	133.21	125.55
E) Vehicles	64.75	1.56	27.21	39.10	53.16	5.22	24.86	33.52	5.58	11.59
F) Office Equipment	146.96	11.11	-	158.07	80.50	21.00	-	101.51	36.57	66.46
G) Computer	49.94	8.71	-	58.65	34.69	10.35	-	45.04	13.61	15.25
Total Property Plant and Equipment (I)	2,103.07	296.49	27.21	2,371.35	580.74	140.64	24.86	696.52	1,674.84	1,522.33

Particulars	Gross Block				Accumulated Depreciation			Net Block		
	Balance as at 1st April 2022	Additions During the Year	Deductions for the Year	Balance as at 31st March 2023	Balance as at 1st April 2022	Depreciation/Amortisation charged for the Year	Deductions for the Year	Balance as at 31st March 2023	Balance as at 31st Mar 2022	
I) Property Plant and Equipment										
A) Leasehold Land	11.76	-	-	11.76	0.62	0.14	-	0.75	11.01	11.14
B) Buildings	857.66	68.93	-	926.58	107.57	29.27	-	136.84	789.74	750.09
C) Plant & Equipment	635.80	69.83	-	705.62	154.11	48.79	-	202.90	502.72	481.69
D) Furniture and Fixtures	178.21	19.24	-	197.45	53.81	18.09	-	71.90	125.55	124.40
E) Vehicles	64.75	-	-	64.75	50.16	2.99	-	53.16	11.59	14.59
F) Office Equipment	118.60	28.36	-	146.96	58.00	22.50	-	80.50	66.46	60.59
G) Computer	39.12	10.82	-	49.94	26.60	8.09	-	34.69	15.25	12.52
Total Property Plant and Equipment (I)	1,905.89	197.18	-	2,103.07	450.87	129.87	-	580.74	1,522.33	1,455.03

Particulars	Gross Block				Accumulated Depreciation			Net Block		
	Balance as at 1st April 2021	Additions During the Year	Deductions for the Year	Balance as at 31st March 2022	Balance as at 1st April 2021	Depreciation/Amortisation charged for the Year	Deductions for the Year	Balance as at 31st March 2022	Balance as at 31st Mar 2021	
I) Property Plant and Equipment										
A) Leasehold Land At Sitapura E-102	11.76	-	-	11.76	0.27	0.34	-	0.62	11.14	11.49
B) Building	648.38	209.28	-	857.66	81.17	26.39	-	107.57	750.09	567.21
C) Plant & Machinery	547.64	8.20	-	635.80	110.51	43.60	-	154.11	481.69	437.13
D) Furniture and Fittings	143.86	34.35	-	178.21	37.82	15.99	-	53.81	124.40	106.05
E) Vehicles	64.75	-	-	64.75	39.56	10.60	-	50.16	14.59	25.19
F) Office Equipment	87.50	31.10	-	118.60	40.48	17.53	-	58.00	60.59	47.02
G) Computer	27.90	11.21	-	39.12	18.89	7.71	-	26.60	12.52	9.02
Total Property Plant and Equipment (I)	1,531.00	294.14	-	1,905.89	328.70	122.17	-	450.87	1,455.03	1,203.10

ii) Capital Work In Progress

Particulars	(Rs. In lacs)				
	Balance as at 1st April 2023	Additions During the year	Deductions for the year	Capitalised during the year	Balance as at 31st March 2024
A) Building Under Construction	-	114.78	-	114.78	0.00
Total Capital Work In Progress (ii)	-	114.78	-	114.78	0.00

Particulars	(Rs. In lacs)				
	Balance as at 1st April 2022	Additions During the year	Deductions for the year	Capitalised during the year	Balance as at 31st March 2023
A) Building Under Construction	12.00	56.93	-	68.93	0.00
Total Capital Work In Progress (ii)	12.00	56.93	-	68.93	0.00

Particulars	(Rs. In lacs)				
	Balance as at 1st April 2021	Additions During the year	Deductions for the year	Capitalised during the year	Balance as at 31st March 2022
A) Building Under Construction	148.71	69.55	-	206.26	12.00
Total Capital Work In Progress (ii)	148.71	69.55	-	206.26	12.00

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	12.00	-	-	-	12.00
Projects temporarily suspended	-	-	-	-	-



Note No. 2A Right to use asset

For Year Ended 31st March 2024

Particulars	Gross Block				Accumulated Depreciation			Net Block	
	Balance as at 1st April 2023	Additions During the Year	Deductions for the Year	Balance as at 31st March 2024	Balance as at 1st April 2023	Depreciation/ Amortisation charged for the Year	Deductions for the Year	Balance as at 31st March 2024	Balance as at 31st March 2023
A) Lease hold Building	264.75	-	-	264.75	100.51	42.95	-	143.46	121.29

For Year Ended 31st March 2023

Particulars	Gross Block				Accumulated Depreciation			Net Block	
	Balance as at 1st April 2022	Additions During the Year	Deductions for the Year	Balance as at 31st March 2023	Balance as at 1st April 2022	Depreciation/ Amortisation charged for the Year	Deductions for the Year	Balance as at 31st March 2023	Balance as at 31st March 2022
A) Lease hold Building	264.75	-	-	264.75	57.57	42.95	-	100.51	164.24

For Year Ended 31st March 2022

Particulars	Gross Block				Accumulated Depreciation			Net Block	
	Balance as at 1st April 2021	Additions During the Year	Deductions for the Year	Balance as at 31st March 2022	Balance as at 1st April 2021	Depreciation/ Amortisation charged for the Year	Deductions for the Year	Balance as at 31st March 2022	Balance as at 31st March 2021
A) Lease hold Building	264.75	-	-	264.75	14.62	42.95	-	57.57	207.19

Note No. 2B Assets held for sale

Particulars	(Rs. In Lacs)		
	Balance as at 31st March 2024	Balance as at 31st March 2023	Balance as at 31st March 2022
PLANT & MACHINERY			
At the beginning of the year	-	3.00	3.00
Additions	-	-	-
Acquisitions	-	-	-
Disposals	-	3.00	-
Reclassification from/to held for sale	-	-	-
Other Adjustments (specify)	-	-	-
Net carrying amount as at the end of the year	-	-	3.00

Note No. 3 Non-Current Assets: Intangible Assets

Particulars	Gross Block				Accumulated Depreciation			Net Block	
	Balance as at 1st April 2023	Additions During the Year	Deductions for the Year	Balance as at 31st March 2024	Balance as at 1st April 2023	Depreciation/ Amortisation charged for the Year	Deductions for the Year	Balance as at 31st March 2024	Balance as at 31st March 2023
A) Intangible assets - Software	37.94	1.78	-	39.72	24.40	5.75	-	30.15	9.57
Total Intangible assets	37.94	1.78	-	39.72	24.40	5.75	-	30.15	9.57

As at 31st March 2023

Particulars	Gross Block				Accumulated Depreciation			Net Block	
	Balance as at 1st April 2022	Additions During the Year	Deductions for the Year	Balance as at 31st March 2023	Balance as at 1st April 2022	Depreciation/ Amortisation charged for the Year	Deductions for the Year	Balance as at 31st March 2023	Balance as at 31st March 2022
A) Intangible assets - Software	30.76	7.17	-	30.76	19.92	4.47	-	24.40	6.36
Total Intangible assets	30.76	7.17	-	30.76	19.92	4.47	-	24.40	6.36

As at 31st March 2022

Particulars	Gross Block				Accumulated Depreciation			Net Block	
	Balance as at 1st April 2021	Additions During the Year	Deductions for the Year	Balance as at 31st March 2022	Balance as at 1st April 2021	Depreciation/ Amortisation charged for the Year	Deductions for the Year	Balance as at 31st March 2022	Balance as at 31st March 2021
A) Intangible assets - Software	28.21	2.80	0.24	30.76	14.90	5.02	-	19.92	10.84
Total Intangible assets	28.21	2.80	0.24	30.76	14.90	5.02	-	19.92	10.84

Disclosure for Title deeds of Immovable property (PPE & Investment Property) not held in the name of Company

Title Deeds of all Immovable properties (PPE & IP) are held in the name of Company. However, Building having Gross Carrying Value of Rs. 1041.36 Lacs (P.Y. 2022-23-Rs.926.58 Lacs and P.Y. 2021-22-Rs.957.66) and W.D.V. Of Rs.873.15 Lacs (P.Y.2022-23-Rs.789.74 Lacs and P.Y.2021-22-Rs.750.09) has been constructed on land taken on lease from Gupta Exports, a Partnership Firm in which Promoters of Company are partners.



NON CURRENT ASSETS

Note No. 4 : Non Current Financial Assets : Investments

(Rs. In Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Non Traded (Un-quoted)-Measured at Fair Value Through Profit & Loss			
India Exposition Mart Ltd. [1,514 (Previous Year 1,514) Common Stock at ₹ 10 each fully paid up, par value ₹ 10 each]	0.15	0.15	0.15
Total	0.15	0.15	0.15

*Investments has been valued as per Accounting Policy no. 20.1

Note No. 5 : Other Non Current Financial Assets

(Rs. In Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Unsecured, Considered Good			
Security Deposits	57.29	41.87	41.29
In Deposit Accounts With			
Punjab National Bank	5.35	5.01	4.70
Fixed Deposit having maturity more than 12 months (Pledged against Bank guarantee issued for Embroidery Machinery)			
Total	62.64	46.88	45.98

CURRENT ASSETS

Note No. 6 : Inventories

(Rs. In Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Valued at lower of cost and Net Realizable Value			
Raw materials			
Work In Progress - Material under Fabrication	930.36	1,166.95	1,947.45
Finished Goods	7,142.71	4,486.28	4,601.25
Accessory & Packing Material	1,489.93	2,825.45	1,140.79
Machinery Parts	619.69	384.64	428.29
Total	21.95	25.00	24.60
	10,204.65	8,888.32	8,142.38

Note:

a) Inventories include stocks lying with third parties 796.06 Lakhs (P.Y 2022-23: 982.59 Lakhs and P.Y 2021-22: 1870.11 Lakhs).

b) Refer Note No. 18.1 for information on inventories pledged as security by the Company.

c) Goods in Transit of Rs: 108.81 Lacs

Note No. 7 : Investments

(Rs. In Lacs)

Investment in Quoted Equity Instruments (Measured at FVTPL)	Particulars									As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
	Current Year			2022-23			2021-22					
	No. of Shares (In Nos)	Cost Value per share	Market Value per share	No. of Shares (In Nos)	Cost Value per share	Market Value per share	No. of Shares (In Nos)	Cost Value per share	Market Value per share			
Bharti Airtel Ltd	369.00	740.27	1,228.60	409.00	736.07	749.00	341.00	714.33	754.95	4.53	3.06	2.57
State Bank Of India	505.00	559.59	752.35	484.00	550.92	523.75	501.00	468.83	493.55	3.80	2.53	2.47
Reliance Industries Ltd	85.00	2,411.61	2,971.69	107.00	2,491.92	2,331.05	176.00	2,383.99	2,634.75	2.53	2.49	4.64
Ntpc Ltd	684.00	176.36	335.80	1,149.00	160.34	175.10	-	-	-	2.30	2.01	-
Rec Ltd	316.00	122.21	451.00	1,600.00	122.33	115.45	-	-	-	1.43	1.85	-
360 One Wam Ltd	396.00	478.51	675.60	396.00	478.51	430.70	-	-	-	2.68	1.71	-
Syrma Sgs Technology Ltd	365.00	284.38	465.40	600.00	278.44	262.55	-	-	-	1.70	1.58	-
Sundram Fasteners Ltd	61.00	999.62	1,093.61	89.00	1,000.31	978.00	-	-	-	0.67	0.87	-
Elecon Engineering Company Ltd	125.00	625.27	948.75	373.00	366.69	382.15	-	-	-	1.19	1.43	-
Kirloskar Brothers Ltd	116.00	393.43	1,095.05	242.00	395.50	410.25	-	-	-	1.27	0.99	-
Borosil Ltd	128.00	349.13	357.25	114.00	433.87	327.15	-	-	-	0.46	0.37	-
Hdfc Liquid-G	247.00	4,721.48	4,741.08	171.00	4,385.75	4,423.36	-	-	-	11.71	7.56	-
INTERGLOBE AVIATION LTD	125.00	2,631.56	3,548.65	-	-	-	-	-	-	4.44	-	-
ZOMATO LTD	1,944.00	101.87	182.10	-	-	-	-	-	-	3.54	-	-
SAMVARDHANA MOTHERSON	86.00	1,787.13	3,349.60	-	-	-	-	-	-	3.06	-	-
MULTI COMMODITY EXCHANGE OF	74.00	2,262.82	3,763.91	-	-	-	-	-	-	2.88	-	-
LARSEN AND TOUBRO LTD	181.00	926.36	1,520.90	-	-	-	-	-	-	2.79	-	-
CONCORD BIOTECH LTD	104.00	1,980.46	2,359.80	-	-	-	-	-	-	2.75	-	-
SHRIRAM FINANCE LTD	1,386.00	155.20	166.00	-	-	-	-	-	-	2.45	-	-
THOMAS COOK INDIA LTD	447.00	499.86	505.65	-	-	-	-	-	-	2.30	-	-
MEDI ASSIST HEALTHCARE SERVICES	515.00	362.10	434.10	-	-	-	-	-	-	2.26	-	-
COAL INDIA LTD	395.00	318.57	520.70	-	-	-	-	-	-	2.24	-	-
INDIAN BANK	573.00	229.91	304.55	-	-	-	-	-	-	2.06	-	-
EXIDE INDUSTRIES LTD	68.00	1,728.68	2,300.75	-	-	-	-	-	-	1.75	-	-
MANKIND PHARMA LTD	348.00	421.25	402.40	-	-	-	-	-	-	1.56	-	-
HONASA CONSUMER LTD	153.00	408.01	434.95	-	-	-	-	-	-	1.40	-	-
AARTI PHARMALABS LTD	96.00	104.27	108.73	-	-	-	-	-	-	0.67	-	-
BOROSIL SCIENTIFIC LTD	257.00	699.95	992.80	-	-	-	-	-	-	0.10	-	-
Tata Motors Ltd	-	-	-	72.00	2,501.75	3,365.15	219.00	391.50	433.75	2.55	-	0.95
Abb India Ltd	-	-	-	215.00	936.97	858.50	-	-	-	-	2.42	-
Axis Bank Ltd	-	-	-	-	-	-	-	-	-	-	1.85	-



Mahindra & Mahindra Ltd	-	-	-	158.00	1,312.54	1,158.70	-	-	-	-	1.83	-
Credittaccess Grameen Ltd	-	-	-	165.00	1,054.69	915.20	-	-	-	-	1.51	-
Landmark Cars Ltd	-	-	-	256.00	564.05	543.50	-	-	-	-	1.39	-
Canara Bank	-	-	-	480.00	297.76	284.45	-	-	-	-	1.37	-
Five Star Business Finance Ltd	-	-	-	202.00	593.56	540.60	-	-	-	-	1.09	-
Rhi Magnesita India Ltd	-	-	-	155.00	704.78	630.30	-	-	-	-	0.98	-
Hitachi Energy India Ltd	-	-	-	28.00	3,050.25	3,343.39	45.00	3,012.37	3,521.25	-	0.94	1.58
Blue Dart Express Ltd	-	-	-	15.00	6,983.00	6,212.93	23.00	6,224.86	6,862.25	-	0.93	1.58
Safari Industries India Ltd	-	-	-	33.00	1,392.00	2,047.85	-	-	-	-	0.68	-
Apar Industries Ltd	-	-	-	26.00	2,401.85	2,504.88	-	-	-	-	0.65	-
Power Mech Projects Ltd	-	-	-	21.00	1,752.95	2,469.90	-	-	-	-	0.52	-
Angel One Ltd	-	-	-	-	-	-	103.00	1,370.18	1,536.75	-	-	1.58
Bajaj Finance Ltd	-	-	-	-	-	-	39.00	6,945.98	7,259.95	-	-	2.83
Balrampur Chini Mills Ltd	-	-	-	-	-	-	350.00	448.01	489.40	-	-	1.71
Brigade Enterprises Ltd	-	-	-	-	-	-	319.00	513.91	516.85	-	-	1.65
Gujarat Fluorochemicals Ltd	-	-	-	-	-	-	49.00	2,804.06	2,742.55	-	-	1.34
Hdfc Bank Ltd	-	-	-	-	-	-	119.00	1,534.83	1,470.35	-	-	1.75
Hindalco Industries Ltd	-	-	-	-	-	-	360.00	425.13	569.50	-	-	2.05
Icici Bank Ltd	-	-	-	-	-	-	322.00	703.42	730.30	-	-	2.35
IFFI Wealth Management Ltd	-	-	-	-	-	-	87.00	1,730.92	1,668.90	-	-	1.45
Infosys Ltd	-	-	-	-	-	-	243.00	1,857.33	1,906.85	-	-	4.63
Intellect Design Arena Ltd	-	-	-	-	-	-	150.00	769.08	945.75	-	-	1.42
K P R Mill Ltd	-	-	-	-	-	-	309.00	681.54	622.55	-	-	1.92
Tanla Platforms Ltd	-	-	-	-	-	-	57.00	1,125.57	1,525.95	-	-	0.87
Tata Elxsi Ltd	-	-	-	-	-	-	14.00	7,218.04	8,840.15	-	-	1.24
Tata Steel Ltd	-	-	-	-	-	-	76.00	1,293.28	1,307.20	-	-	0.99
Trent Ltd	-	-	-	-	-	-	152.00	1,270.77	1,275.50	-	-	1.94
Total										73.04	42.61	43.54

* Aggregate Cost of Quoted Investments Rs. 55.38/- Lacs and Market Value Rs. 73.04/- Lacs

Note No. 8 : Current Financial Assets : Trade Receivables

(Rs. In Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Trade receivables (refer note below)	3,851.37	3,586.48	5,033.74
Receivables from related parties	-	-	-
Trade Receivables which have significant increase in credit risk	-	-	-
Trade Receivables - Credit Impaired	-	32.87	0.20
Less: Allowance for doubtful trade receivables	-	(32.87)	(0.20)
Total receivables	3,851.37	3,586.48	5,033.74
Current portion	3,851.37	3,619.36	5,033.94
Non-current portion	-	-	-
Less: Allowance for doubtful trade receivables	-	(32.87)	(0.20)
Total total receivables	3,851.37	3,586.48	5,033.74

Break-up of security details			
Secured, considered good	-	-	-
Unsecured, considered good	3,851.37	3,586.48	5,033.74
Credit impaired, unsecured	-	32.87	0.20
Trade receivables which have significant increase in credit risk	-	-	-
Total	3,851.37	3,619.36	5,033.94
Loss Allowance:	-	(32.87)	(0.20)
Total Trade Receivables	3,851.37	3,586.48	5,033.74



Note:

a) Ageing of Trade Receivables

As At 31st March 2024 (Rs. In Lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	3,521.23	183.93	13.33	9.38	123.51	3,851.37
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

As At 31st March 2023 (Rs. In Lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	3,392.06	56.26	10.83	0.01	127.32	3,586.48
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	0.89	30.04	1.95	-	32.87
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

As At 31st March 2022	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	4,637.33	90.14	23.18	85.79	197.32	5,033.74
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	0.20	0.20
(iv) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

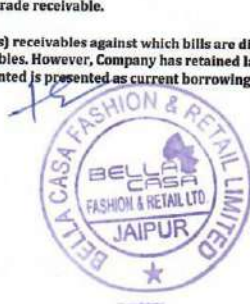
b) Refer Note No. 19.1 for information on receivables pledged as security by the Company.

c) Movement in Impairment Allowance For Doubtful Debts

Particulars	(Rs. In Lacs)		
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Balance at the beginning of the year	32.87	0.20	0.20
Allowance for the year	-	102.86	-
Write off Bad Debts (Net of Recovery)	-	69.99	-
impairment allowance written back	32.87	0.20	-
Balance at the end of the year	(0.00)	32.87	0.20

d) Refer Note No. 43 for information about Credit risk and Market risk of trade receivable.

e) The trade receivables includes Rs. Nil (31st March, 2023 Rs. 591.34 lacs) receivables against which bills are discounted. Under this arrangement Company has transferred the relevant receivables to the banks in exchange for cash and is prevented from selling or pledging the receivables. However, Company has retained late payment and credit risk. The Company therefore continues to recognize the transferred assets in entirety in its balance sheet. The amount repayable under the bills discounted is presented as current borrowings.



Note No. 9 : Cash and Cash Equivalents

(Rs. In Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Cash & Cash Equivalents			
Balance with Banks - Current Account	3.76	4.73	3.84
Cash On Hand	4.43	7.06	6.25
HDFC Bank			
Balances with Bank in Deposit Account (Maturity having less than 3 months from Balance Sheet Date)	5.06	5.01	4.77
Total	13.25	16.80	14.87

Note No. 10 : Bank balances other than Cash & Cash Equivalents

(Rs. In Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
In Deposit Accounts With			
HDFC Bank Ltd			
Maturity having more than 3 months but less than 12 months from Balance Sheet Date (Pledged against Working Capital Loan facility taken from Bank)	-	-	792.44
Axis Bank Limited			
Maturity having more than 3 months but less than 12 months from Balance Sheet Date (Pledged against Overdraft facility taken from Bank)	-	-	287.59
Earmarked balances with banks:			
HDFC Bank Ltd(Unclaimed dividends)	1.00	0.98	0.81
Total	1.00	0.98	1,080.84

Note No. 11 : Other Current Financial Assets

(Rs. In Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Unsecured, considered good			
Advance to Girik Wealth Advisors Private Limited for Investments in Equity Shares	2.96	2.77	7.09
Accrued Interest on Security Deposits	2.54	-	2.96
Advances realizable in Cash or Bank	0.03	4.18	-
Total	5.53	6.94	10.05

Note No. 12 : Other Current Assets

(Rs. In Lacs)

Particulars	As at 31st March 2024			As at 31st March 2023			As at 31st March 2022		
Advance Tax	270.00	235.00	365.00						
Tax Deducted as Source/Tax Collected at Source	25.79	28.80	30.28						
Less: Provision as Per Contra	295.79	263.80	395.28						
	295.79	263.80	395.28	-	-	-	-	-	-
Export Incentives Receivables				0.35	-	-	55.32		
Balance With GST Authorities				2.98	12.45	-	2.79		
GST Input				-	9.11	-	-		
Security Deposit for Lease Rent				-	-	-	-		
GST Input karnataka				-	0.36	-	-		
GST Refundable on Export				2.98	2.98	-	2.79		
Advance to Others				-	-	-	-		
Advance to Staff				9.17	6.14	-	6.31		
Advance to Suppliers				51.46	30.23	-	29.89		
Income Tax Refundable				22.51	22.51	-	37.94		
Prepaid Expenses				8.40	21.78	-	60.84		
Total	94.86	93.10	193.09						

EQUITY

Note No. 13 : Equity Share Capital

(Rs. In Lacs)

Authorized	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Authorized			
1,17,50,000 Equity Shares of 10/- each	1,175.00	1,175.00	1,175.00
Total	1,175.00	1,175.00	1,175.00
Issued, subscribed and fully paid up			
1,14,75,000 Equity Shares of 10/- each	1,147.50	1,147.50	1,147.50
Total	1,147.50	1,147.50	1,147.50

Note No. 13.1 : Reconciliation of Number of Equity Shares Outstanding

Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
At the beginning of the year			
Add: Issued during the year	1,14,75,000	1,14,75,000	1,14,75,000
~On Preferential Basis	-	-	-
~On Conversion	-	-	-
At the end of the year	1,14,75,000	1,14,75,000	1,14,75,000



Note No. 13.2: Rights, preferences and restrictions to the shareholders

The Company has only one class of equity shares having a par value 10/- per share. The holders of the equity shares are entitled to receive dividends proposed 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.

No member shall be entitled to exercise any voting rights either personally or by proxy at any meeting of the company 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.

Note No. 13.3: Dividends**Particulars****a) Equity shares - Dividend declared during the year**

Interim dividend for the year ended 31st March 2024 of Rs 0.80 (P.Y 2022-23 - Rs. 0.70 and P.Y 2021-22:Rs.1) per fully paid equity share.

b) Equity shares - Dividends not recognised at the end of the reporting period

In addition to the above dividends, Board of Directors at its meeting held on 20th May 2024, has proposed a final dividend of Rs. 0.97 (P.Y. 2022-23 - Nil and P.Y: 2021-22-Rs.0.91) per fully paid equity share. This proposed dividend is subject to the approval of the shareholders at the ensuing Annual General Meeting.

Note No. 13.4: Details of Shareholder's holding more than 5% of shares issued by the Company (Figures In Lakhs)

Name of Shareholder	As at 31st March 2024		As at 31st March 2023		As at 31st March 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Harish Kumar Gupta	11.71	10.21%	11.71	10.21%	11.71	10.21%
Pawan Kumar Gupta	11.32	9.87%	11.32	9.87%	11.35	9.89%
Gaurav Gupta	10.57	9.21%	10.57	9.21%	10.57	9.21%
Saurav Gupta	10.02	8.73%	10.02	8.73%	10.02	8.73%
Anita Gupta	9.80	8.54%	9.80	8.54%	9.80	8.54%
Sunita Gupta	8.99	7.84%	8.99	7.84%	8.99	7.84%
Neha Gupta	7.83	6.82%	7.83	6.82%	7.83	6.82%
Shikha Gupta	7.03	6.12%	7.03	6.12%	7.03	6.12%

Note No. 13.5: Details of Shareholding by Promoters of the Company (Figures In Lakhs)

Name of Promoter	As at 31st March 2024		% Change during the year
	No. of Shares held	% of Holding	
Harish Kumar Gupta	11.71	10.21%	0.00%
Pawan Kumar Gupta	11.32	9.87%	0.00%
Gaurav Gupta	10.57	9.21%	0.00%
Saurav Gupta	10.02	8.73%	0.00%

Note No. 14: Other equity

Particulars	(Rs. In Lacs)		
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Capital Reserve	2.50	3.26	4.02
Securities Premium Reserve	1,815.60	1,815.60	1,815.60
Retained Earnings	5,522.29	4,593.55	3,997.59
Total	7,340.39	6,412.41	5,817.22

Particulars	(Rs. In Lacs)		
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
A. Capital Reserve			
Opening Balance	3.26	4.02	4.79
Less: Withdrawals/transfer to Statement of Profit & Loss	0.76	0.76	0.76
Closing Balance	2.50	3.26	4.02
B. Securities Premium			
Opening balance	1,815.60	1,815.60	1,815.60
Add: On Issue of Equity shares	-	-	-
~On Preferential Basis	-	-	-
~On Conversion of Warrants into Equity Shares	-	-	-
Closing Balance	1,815.60	1,815.60	1,815.60
C. Retained Earnings			
Opening balance	4,593.55	3,997.59	3,028.62
Add: Profit for the period	1,018.22	776.03	1,116.19
Add: Other Comprehensive for the period	2.33	4.67	7.70
Add: Depreciation for the year (Charged to Capital Reserve)	-	-	-
Less: Deferred Tax Income on above	-	-	-
Less: Dividend on equity shares paid during the year	(91.80)	(184.75)	(154.91)
Less: Dividend distribution tax paid during the year	-	-	-
Closing Balance	5,522.29	4,593.55	3,997.59
Total (A+B+C)	7,340.39	6,412.41	5,817.22



Note No. 14.1 : Nature and Purpose of Reserve

a) Capital Reserve

Capital Reserve represents capital investment subsidy of ₹ 11.22 Lakhs received from SIDBI under TUF scheme in F.Y. 2010-11. Company has availed Capital Investment Subsidy forming part of cost of process Machinery. In terms of Accounting Policy No. 8, proportionate amount of such capital investment subsidy is being withdrawn from Capital Reserve (Capital Investment Subsidy) equal to relative depreciation. During the year ₹0.76 Lakhs (P.Y. 2022-23 ₹0.76 Lakhs & P.Y 2021-22: ₹ .0.76 lakhs) (up to 31st March, 2024 ₹ 8.72 Lakhs, 31st March, 2023 ₹ 7.96 Lakhs and 31st March, 2023: ₹ 7.20 lakhs) has been withdrawn from Capital Reserve Account.

NON- CURRENT LIABILITIES

Note No. 15 : Non Current Financial Liabilities : Borrowings

(Rs. In Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Term Loan from Banks (Secured)* :			
HDFC Bank Limited			
Term Loan -II	-	-	14.90
Term Loan under Guaranteed Emergency Credit line limit	211.08	532.64	829.02
Repayable in 36 fixed monthly installments after Moratorium of 12 Months			
Total (i)	211.08	532.64	843.92
Less: Current Maturities of Long Term Debts (Carried to Note No. 18)			
HDFC Bank Limited			
Term Loan -II	-	-	14.90
Term Loan under Guaranteed Emergency Credit line limit	211.08	321.56	300.21
Total (ii)	211.08	321.56	315.11
Total [A=(i)-(ii)]	-	211.08	528.81

* Details of Securities given in Note No. 18.1

Note No. 16 : Non Current Liabilities : Provisions

(Rs. In Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2023
Provision for Employee Benefits :			
Gratuity	46.21	31.65	28.00
(Carried from Note No. 22.2)			
Total	46.21	31.65	28.00

Note No. 17 : Non Current Liabilities : Deferred tax liabilities (Net)

(Rs. In Lacs)

Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
I) Deferred Tax Liability on account of:			
Property, Plant and Equipment's (cumulative) i.e. Depreciation			
Book Value	1,673.54	1,524.86	1,454.72
Less: Tax Base	1,298.96	1,176.59	1,088.32
Deferred Tax Liability	374.58	348.27	366.40
Tax On above	94.27	87.65	92.22
II) Deferred Tax Asset on account of:			
Accrued Expenses deductible on payment basis	183.59	85.66	78.31
Provision For Bad & Doubtful Debts	-	32.87	-
Due to adjustment of Lease Liability	21.57	20.64	(1.08)
Other Matters	0.02	(0.03)	(0.08)
Deferred Tax Asset	205.17	139.13	155.47
Tax On above	51.64	35.02	19.42
Closing Deferred Tax Liability (Net)	42.64	52.64	72.80
Less: Opening Deferred Tax Liability (Net)	52.64	72.80	51.05
Net Deferred Tax Expenditure	(10.00)	(20.16)	21.75
Less: Transfer to OCI	(0.78)	(1.57)	(2.59)
Less: Transfer to SOCE	-	-	-
Net transfer to Statement of Profit and Loss	(10.78)	(21.73)	19.16



CURRENT LIABILITIES

		(Rs. In Lacs)		
Note No. 18 : Current Financial Liabilities : Borrowings				
Particulars		As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Secured Loan				
(I) Loans repayable on demand				
From HDFC Bank Ltd.				
Fixed Working Capital Drawing Limit (WC DL)		2,672.22	-	2,400.00
Cash Credit Limit		20.17	9.23	19.10
Invoice Discounting Facility		-	591.34	1,827.50
Bank Overdraft		1,298.45	2,621.76	301.21
From Axis Bank Ltd.				
Bank Overdraft		-	-	201.23
Total (I)		3,990.84	3,222.33	4,749.04
(II) Current maturities of long-term debt :				
(Carried from Note No. 15)				
From HDFC Bank Ltd.				
Term Loan -II		-	-	14.90
Term Loan under Guaranteed Emergency Credit Line Limit		211.08	321.56	300.21
Total (II)		211.08	321.56	315.11
Total (I+II)		4,201.92	3,543.89	5,064.15

*There has been no default in repayment of any of the loans or interest thereon as at the end of the year

Note No. 18.1 : Securities/ Guarantees

From HDFC Bank Ltd.

- Primary Secured against hypothecation by way of first and exclusive charge in all present and future Stock, Book Debts and Plant & Machinery.
- Collaterally Secured against Industrial Property situated at E-102, EPIP, Sitapura Industrial Area, Jaipur in the name of Bella Casa Fashion & Retail Limited and also collaterally secured against E-103, EPIP, Sitapura Industrial Area, Jaipur in name of Gupta Exports.
- Personally guaranteed by Promoters Shri Harish Kumar Gupta, Shri Pawan Kumar Gupta, Shri Gaurav Gupta and Shri Saurav Gupta.

From Axis Bank Ltd.

-Bank Overdraft

Secured against FDR in the name of the Company.

Note No. 19 : Current Financial Liabilities : Trade Payables

		(Rs. In Lacs)		
Note No. 19 : Current Financial Liabilities : Trade Payables				
Particulars		As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Trade Payables for Goods & Services				
(A) Due to Micro & Small Enterprises		928.24	14.78	33.31
(B) Others-Trade Payables for Goods & Services		1,853.28	2,560.97	3,056.02
Total		2,781.52	2,575.75	3,089.33

* Amount due to Related Parties- Rs. 1.45 Lacs(P.Y 2022-23 - Nil and P.Y 2021-22:Nil)

Note No. 19.1. Ageing of Trade Payables

As At 31st March 2024 (Rs. In Lacs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
(I) MSME	927.97	0.04	0.23	-	928.24
(II) Others	1,845.52	3.56	2.61	1.59	1,853.28
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	2,773.49	3.60	2.84	1.59	2,781.52

As At 31st March 2023 (Rs. In Lacs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
(I) MSME	14.78	-	-	-	14.78
(II) Others	2,548.08	11.29	1.21	0.39	2,560.97
(III) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	2,562.86	11.29	1.21	0.39	2,575.75

As At 31st March 2022 (Rs. In Lacs)

(I) MSME	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
(I) MSME	32.91	0.41	-	-	33.31
(ii) Others	3,042.43	8.27	3.25	2.08	3,056.02
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	3,075.33	8.68	3.25	2.08	3,089.33

Note No. 19.2. Details of Dues to Micro Enterprises and Small Enterprises

		(Rs. In Lacs)		
Note No. 19.2. Details of Dues to Micro Enterprises and Small Enterprises				
Particulars		As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Principal amount due to suppliers and remaining unpaid under MSMED Act, 2006		914.21	14.78	27.47
Interest due remaining unpaid to any supplier at the end of the year				



The amount of interest paid by the buyer in terms of Section 16 of the Micro Small and Medium Enterprise Development Act, 2006, along with the amounts of the payment made to the supplier beyond appointed day during the accounting year.	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006	-	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year.	14.04	8.82	5.84
The amount of further interest remaining due and payable even in the succeeding years. Until such date when the interest dues as above are actually paid to the small enterprise for the purpose of Disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006.	-	-	-
Total	928.24	23.60	33.31

Note No. 20 : Other Current Financial Liabilities

Particulars	(Rs. In Lacs)		
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Unpaid Dividend Liabilities	1.00	0.98	0.81
Outstanding Liabilities	244.87	133.69	194.84
Total	245.87	134.67	195.65

Note : (A) There are no amounts due for payment to the Investor Education and Protection Fund Under Section 125 of the Companies Act, 2013 as at the year end.
(B) There has been no default in servicing of loan as at the end of the year.

Note No. 21 : Other Current Liabilities

Particulars	(Rs. In Lacs)		
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Statutory Dues	27.59	9.71	13.34
Contract Liabilities (Refer Accounting Policy - 11)	-	-	-
- Customer Incentive & Discount	11.05	2.83	3.42
- Refund liabilities (Sales Return)	1.33	2.01	6.47
Advance from customers	7.58	4.24	17.03
Total	47.55	18.80	40.26

Note No. 22 : Short Term Provisions

Particulars	(Rs. In Lacs)		
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Provision for Gratuity	55.60	54.00	50.31
Total	55.60	54.00	50.31

Note No. 22.1 : Movement of Provision in Compliance of Ind AS 37 - Gratuity

Particulars	(Rs. In Lacs)		
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Opening Balance	85.66	78.31	74.81
Add: Provision made during the year	16.15	7.34	3.50
Total	101.81	85.66	78.31
Less: Utilised / paid during the year	-	-	-
Closing Balance	101.81	85.66	78.31

Note No. 22.2 : Current and Non-current Maturity of Gratuity

Particulars	(Rs. In Lacs)		
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Current Maturity	55.60	54.00	50.31
Non- Current Maturity (Carried to Note No. 16)	46.21	31.65	28.00
Total	101.81	85.66	78.31

Note No. 23 : Current Tax Liabilities/(Assets) Net

Particulars	(Rs. In Lacs)		
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Provision For Taxation 21-22	-	-	395.00
Provision For Taxation 22-23	-	282.00	-
Provision For Taxation 23-24	357.00	-	-
Less:	357.00	282.00	395.00
Advance Tax 21-22	-	-	365.00
Advance Tax 22-23	-	235.00	-
Advance Tax 23-24	-	-	-
Tax Deducted as Source/Tax Collected at Source 21-22	270.00	-	-
Tax Deducted as Source/Tax Collected at Source 22-23	-	-	30.28
Tax Deducted as Source/Tax Collected at Source 23-24	-	28.80	-
Total	25.79	-	-
Total	61.21	18.20	(0.28)



Note No. 24 : Revenue from operations

(in lacs.)

Particulars	Year Ending 31st March 2024	Year Ending 31st March 2023	Year Ending 31st March 2022
Sale of Products	22,867.96	19,647.03	20,259.01
Sale of Services	133.74	515.91	238.13
Other Operating Revenues			
Export Incentive	6.30	6.76	66.38
Gain on Exchange Rate Variation	1.90	6.63	17.71
Total Revenue from Operation	23,009.88	20,176.32	20,581.23

Disaggregation of revenue

Revenue based on Geography

(in lacs.)

Particulars	Year Ending 31st March 2024	Year Ending 31st March 2023	Year Ending 31st March 2022
Domestic	22,863.64	19,964.66	19,340.21
Export	146.25	211.66	1,241.02
Revenue from operations	23,009.88	20,176.32	20,581.23

(in lacs.)

Particulars	Year Ending 31st March 2024	Year Ended 31st March 2023	Year Ended 31st March 2022
Sale of Products			
Fabric/Home Furnishing/Garments- Finished Goods	23,257.50	19,829.51	19,111.10
Export Sales	146.25	211.66	1,241.02
Less: Rebates & Discounts	535.79	394.14	93.11
Net Sales	22,867.96	19,647.03	20,259.01
Sale of Service			
Job Work Income	133.74	515.91	238.13
Sale of Service	133.74	515.91	238.13
Other Operating Revenues			
Export Incentive	6.30	6.76	66.38
Gain on Exchange Rate Variation	1.90	6.63	17.71
Other Operating Revenues	8.19	13.38	84.09

Note No. 25 : Other income

(in lacs.)

Particulars	Year Ending 31st March 2024	Year Ending 31st March 2023	Year Ending 31st March 2022
Interest Income	1.66	19.13	50.96
Interest on Lease Security Deposit	0.63	0.58	0.53
Short Term capital Gain on Investment	8.88	2.98	2.89
Fair value gain on equity investment	18.12	8.35	2.74
Dividend Income	0.82	0.25	-
Long Term Capital Gain on Investment	6.34	-	-
Liabilities no more payable*	-	22.07	-
Total	36.45	53.35	57.13

*Liabilities no more payable is of creditors

Note No. 26 : Cost of materials consumed

(in lacs.)

Particulars	Year Ending 31st March 2024	Year Ending 31st March 2023	Year Ending 31st March 2022
Raw Material - Opening Stock	1,166.95	1,947.45	1,720.42
Purchases	10,315.67	9,372.46	9,484.02
Less : Quality Difference	86.03	74.29	-
Less: Raw Material - Closing Stock	11,396.59	11,245.62	11,204.44
	930.36	1,166.95	1,947.45
Total	10,466.23	10,078.67	9,256.99



Note No. 27 : Direct Manufacturing Expenses

(in lacs.)

Particulars	Year Ending 31st March 2024	Year Ending 31st March 2023	Year Ending 31st March 2022
Accessory and Packing Material Consumed	1,649.90	1,466.06	1,641.32
Machinery Parts Consumed	99.77	79.66	79.46
Job Charges	1,762.07	1,155.52	888.43
Production Wages	3,568.80	3,090.44	2,874.80
(Carried from Note No. 29)			
Repairs and Maintenance of Machinery	1.50	2.29	1.44
Sampling, Designing and Testing Charges	71.54	43.06	32.50
Printing & Dyeing Charges	2,975.31	2,610.88	2,630.96
Power & Fuel	242.17	200.41	144.26
	10,371.07	8,648.31	8,293.16
Power and Fuel Attributable to Administrative expenses (Transferred to Note No. 31)	36.33	30.06	21.64
Total	10,334.75	8,618.25	8,271.52

Note No. 27.1 : Accessory and Packing Material Consumed

(in lacs.)

Particulars	Year Ending 31st March 2024	Year Ending 31st March 2023	Year Ending 31st March 2022
Accessory and Packing Material - Opening Stock	384.64	428.29	584.85
Purchases of Accessory and Packing Material	1,884.95	1,422.41	1,484.75
	2,269.59	1,850.70	2,069.61
Less: Accessory and Packing Material - Closing Stock	619.69	384.64	428.29
Accessory and Packing Material Consumed	1,649.90	1,466.06	1,641.32

Note No. 27..2 : Machinery Parts Consumed

(in lacs.)

Particulars	Year Ending 31st March 2024	Year Ending 31st March 2023	Year Ending 31st March 2022
Machinery Parts- Opening Stock	25.00	24.60	25.76
Purchases of Machinery Parts	96.72	80.06	78.30
	121.72	104.66	104.05
Less: Machinery Parts - Closing Stock	21.95	25.00	24.60
Total	99.77	79.66	79.46

Note No. 28 : Changes in inventories of finished goods and Work-in-progress

(in lacs.)

Particulars	Year Ending 31st March 2024	Year Ending 31st March 2023	Year Ending 31st March 2022
Finished Goods			
Finished Goods - Opening Stock	2,825.45	1,140.79	928.20
Finished Goods - Closing Stock	1,489.93	2,825.45	1,140.79
Decrease/(Increase) in Finished Goods	1,335.52	(1,684.66)	(212.59)
Work in Progress			
Work in Progress - Opening Stock	4,486.28	4,601.25	4,453.57
Work in Progress - Closing Stock	7,142.71	4,486.28	4,601.25
Decrease/(Increase) in Work In Progress	(2,656.43)	114.97	(147.68)
Total	(1,320.91)	(1,569.69)	(360.27)

Note No. 29 : Employee benefits expenses

(in lacs.)

Particulars	Year Ending 31st March 2024	Year Ending 31st March 2023	Year Ending 31st March 2022
Salaries,Wages & Bonus	4,229.31	3,701.82	3,322.91
Employer Contributions to -			
Provident fund	20.46	10.89	6.58
ESI	833	7.85	6.10
Gratuity Expense (attributable to employee cost)	19.27	13.59	13.78
Staff Welfare Expenses	63.47	40.75	36.55
Total Employee Benefit Expenses	4,340.83	3,774.90	3,385.92
Wages Attributable to Manufacturing Activity (Transferred to Note No. 27)	3,568.80	3,090.44	2,874.80
Net Employee Benefit Expenses	772.03	684.46	511.12

*For detail disclosure refer Note No. 46



Note No. 30 : Finance costs

(in lacs.)

Particulars	Year Ending 31st March 2024	Year Ending 31st March 2023	Year Ending 31st March 2022
Interest Expenses	359.07	360.68	439.25
Interest Payable to Parties	4.34	-	-
Interest expenses on Lease Liability	14.83	18.09	20.90
Net Interest Expenses	378.24	378.78	460.15
Bank Charges and Other Financial Charges	9.56	11.01	7.22
Total	387.80	389.79	467.36

Note No. 31 : Other expenses

(in lacs.)

Particulars	Year Ending 31st March 2024	Year Ending 31st March 2023	Year Ending 31st March 2022
CSR Expenses	23.00	24.00	21.60
Short Term Capital loss on Equity Investments	1.04	4.56	4.46
Long Term Capital loss on Equity Investments	0.00	-	-
Loss on Sale of Licence	-	2.70	-
Brokerage on investment	1.98	0.69	0.54
Insurance	23.63	26.21	26.17
Sales Promotion Expenses	53.45	21.02	33.90
Remuneration to Auditors :			
As Statutory Auditor	6.00	5.00	4.00
Tax Audit Fees	0.50	0.50	0.40
Travelling Expenses	54.38	43.39	10.71
Petrol and Conveyance Expenses	12.27	10.02	9.61
Electricity Expenses	36.33	30.06	28.79
Late Delivery Charges	57.97	40.07	32.06
TDS Demands	-	0.58	-
VAT Demand	-	-	1.26
Interest	-	-	0.01
Late Filing Fees	-	-	0.00
BSE Late Filing Fees	-	-	0.06
Repairs to Building & Others	68.42	55.38	44.24
Security Charges	10.55	12.54	12.78
House Keeping Services	41.27	36.49	25.97
Refreshment Expenses	5.10	12.48	12.73
Professional & Consultancy Expenses	21.66	16.56	10.18
Printing & Stationary	9.47	8.00	5.67
Postage & Courier	49.20	54.31	55.99
Telephone & Internet Expenses	8.42	7.15	2.62
Water Expenses	18.69	19.97	11.79
Membership & Registration Fees	5.22	16.68	17.72
Sitting Fee	0.53	0.51	0.47
Commission Expenses	49.82	47.14	45.67
Freight, Handling Charges & Other Charges	122.87	34.85	112.34
Sundry Balance Written off	8.20	-	-
Bad Debts expenses	-	69.99	38.78
Advertisement and Publicity	120.82	135.88	185.30
Other Expenses	49.39	37.35	29.55
Loss on Sale of Car	0.32	-	-
Provision For Bad & Doubtful Debts	-	32.87	-
Fair value loss on investment	-	11.55	-
Total	860.49	818.52	785.37

Note No. 32: Depreciation and amortisation expense

(in lacs.)

Particulars	Year Ending 31st March 2024	Year Ending 31st March 2023	Year Ending 31st March 2022
Depreciation on property, plant & equipment	140.64	129.87	122.17
Amortisation on intangible assets	5.75	4.47	5.02
Amortisation of Right of Use Assets	42.95	42.95	42.95
Transferred to Capital Reserve	0.76	0.76	0.76
Total	188.57	176.53	169.38

Note No. 33 : Earning Per Share

(Rs in Lacs except per Equity share data)

Particulars	Year Ending 31st March 2024	Year Ending 31st March 2023	Year Ending 31st March 2022
Net Profit after tax available for equity shareholders (a)	1,020.55	780.70	1,123.89
Weighted Average number of equity shares (b)	-	-	-
Basic	114.75	114.75	114.75
Diluted	114.75	114.75	114.75
Earning per share (₹)	-	-	-
Basic	8.89	6.80	9.79
Diluted	8.89	6.80	9.79
Nominal Value per Share (₹)	10.00	10.00	10.00



Note No. 35. Disclosure as per Ind AS 2 'Inventories'
Amount of inventories recognised as expense during the year is as under:

Particulars	(Rs. In Lacs)		
	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022
Cost of Material Consumed	10,466.23	10,078.67	9,256.99
Packing Material Consumed	1,649.90	1,466.06	1,641.32
Machinery Parts Consumed	99.77	79.66	79.46
Total	12,215.90	11,624.38	10,977.76

Note No. 36. Disclosure as per Ind AS 16 'Property, Plant and Equipment.

The carrying amounts of assets pledged as security for current and non-current borrowings are:-

Particulars	(Rs. In Lacs)		
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Current Assets			
Trade Receivables	3,851.37	3,586.48	5,033.74
Term Deposits held as margin money	-	-	1,080.02
Inventories	10,204.65	8,888.32	8,142.38
Total Current assets pledged as security	14,056.02	12,474.80	14,256.14
Non-Current Assets			
Land	-	-	-
Building	10.87	11.01	11.14
Plant & Equipment	873.15	789.74	750.09
Term Deposits held as margin money (having maturity more than 12 months)	581.85	502.72	481.69
Total Non-Current assets pledged as security	1,471.22	1,308.48	1,247.62
Total Assets pledged as security	15,527.25	13,783.29	15,503.76

Note No. 37. Disclosure as per Ind AS-116 "Leases"

Particulars	(Rs. In Lacs)	
	For the Year ended 31.03.2024	31.03.2022
Opening balance	183.19	218.94
Additions	-	252.21
Reduction	-	-
Interest expense on liability	14.83	18.09
Payments	(56.23)	(53.84)
Closing Balance	141.79	183.19
		273.11

Amount as per Statement of Cash Flows

Particulars	(Rs. In Lacs)	
	For the Year ended 31.03.2024	31.03.2022
Total Cash Outflows of leases	41.40	35.75
		30.66

Particulars

Particulars	(Rs. In Lacs)	
	For the Year ended 31.03.2024	31.03.2022
Non Current		
(i) Lease Liability	94.11	141.79
Current	94.11	178.00
(i) Lease Liability	47.68	178.00
	47.68	40.93
	47.68	41.40

Note No. 38. Disclosure as per Ind AS 21 'The Effects of Changes in Foreign Exchange Rates'

The amount of exchange differences (net) credited to the Statement of Profit & Loss is 1.60 Lakhs (31st March, 2023); credited 6.63 Lakhs and 31st March 2022: 17.71 Lakhs).



Note No. 39, Disclosure of Corporate social responsibility (CSR)
As per section 135 of Companies Act 2013, the Company is required to spend in every financial year, at least 2% of the average net profits of the Group made during the three immediately preceding financial year in accordance with its CSR policy.

Particulars	(Rs. In Lacs)		
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
(i) amount required to be spent by the company during the year,	22.25	23.42	21.57
(ii) amount of expenditure incurred,	23.00	24.00	21.60
(iii) shortfall at the end of the year,	-	-	-
(iv) total of previous years shortfall,	-	-	-
(v) reason for shortfall,	-	-	-
(vi) nature of CSR activities:	-	-	-
Particulars	(Rs. In Lacs)		
	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022
i) Treatment of diseases, development of Technology, nurturing environment	-	14.00	-
ii) Education of children & protection of cows	13.50	-	-
iii) Promoting Healthcare	4.90	-	-
iv) Promoting Sanitation	4.60	-	-
v) Women Empowerment Programme	-	-	-
vi) Other than above	-	10.00	21.60
(vii) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	23.00	24.00	21.60
(viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately.	-	-	-

Note No. 40. Disclosure as per Ind AS 24 'Related party Disclosures'

The Company has identified all the related parties as per details given below:

List of Related Parties:

A	Key Managerial Personnel
1	Harish Kumar Gupta (Chairman & Whole-time director)
2	Pawan Kumar Gupta (Managing director)
3	Gaurav Gupta (Whole-time director)
4	Saurav Gupta (Whole-time director)
5	Naresh Manwani (Chief Financial Officer)
6	Smita Gupta (Company Secretary)
B	Enterprises where Key Managerial Personnel has control / interest:
1	Gupta Exports
C	Relatives of Key Managerial Personnel
1	Anita Gupta
2	Smita Gupta
3	Shikha Gupta
4	Richa Agarwal
5	Neha Gupta
D	Non Executive Independent Directors
1	Sharad Mangal
2	Gunjan Jain
3	Kalpna Juneja
4	Vikas Mathur

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.



Transactions carried out with related parties referred above, in ordinary course of business:

Nature of transaction & Name of the Related Party	(Rs. In Lacs)			
	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022	For the year ended 31st March 2022
Rent Expenses				
Gupta Exports	6.00	6.00		6.00
Remuneration				
Harish Kumar Gupta (Chairman & Whole-time director)	24.36	24.36	24.36	24.36
Pawan Kumar Gupta (Managing director)	24.36	24.36	24.36	24.36
Gaurav Gupta (Whole-time director)	24.36	24.36	24.36	24.36
Saurav Gupta (Whole-time director)	24.36	24.36	24.36	24.36
Naresh Manwani (Chief Financial Officer)	7.60	7.60	7.60	7.29871
Sonika Gupta (Company Secretary)	4.45	4.45	4.45	3.84626
Shikha Gupta				
Neha Gupta	18.36	18.36	18.36	18.36
Dividend				
Harish Kumar Gupta (Chairman & Whole-time director)	18.36	18.36	18.36	18.36
Pawan Kumar Gupta (Managing director)				
Gaurav Gupta (Whole-time director)	9.37	18.86	11.71	11.71
Saurav Gupta (Whole-time director)	9.06	18.22	11.35	11.35
Naresh Manwani (Chief Financial Officer)	8.46	17.02	10.57	10.57
Sonika Gupta (Company Secretary)	8.02	16.13	10.02	10.02
Shikha Gupta	0.09	0.18	0.17	0.17
Neha Gupta				
Richa Agarwal	5.62	11.31	7.03	7.03
Anita Gupta	6.26	12.60	7.83	7.83
Sunita Gupta	0.66	1.33	-	-
Kalpana Juneja	7.83	15.78	9.80	9.80
	7.20	14.48	8.99	8.99
Directors sitting fees				
Shard Mangal	0.00	0.01	-	-
Gunjan Jain				
Kalpana Juneja	0.18	0.20	0.18	0.18
Vikas Mathur	0.14	0.23	0.21	0.21
	0.09	0.05	0.05	0.05
	0.06	0.05	0.03	0.03
Compensation to key managerial personnel of the Company.				

Particulars	(Rs. In Lacs)			
	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022	For the year ended 31st March 2022
Short term employee benefits	109.00	108.09	108.40	108.40
Post-employment benefits	1.44	1.44	1.44	1.44
Total	110.44	109.49	109.84	109.84



Outstanding Balances

Particulars	(Rs. In Lacs)		
	For the year ended 31st March 2024	For the year ended 31st March 2023	For the year ended 31st March 2022
Gupta Exports			-
Harish Kumar Gupta (Chairman & Whole-time director)	1.45	1.62	1.62
Pawan Kumar Gupta (Managing director)	1.57	1.57	1.62
Gaurav Gupta (Whole-time director)	1.57	1.57	1.62
Saurav Gupta (Whole-time director)	1.57	1.57	1.62
Naresh Manwani (Chief Financial Officer)	0.37	0.65	0.64
Sonika Gupta (Company Secretary)			0.35
Shikha Gupta	0.44	0.40	1.22
Neha Gupta	1.17	1.17	1.22
Sharad Mangal	1.17	1.17	1.22
Gunjan Jain	0.04	0.09	0.04
Kalpana Juneja	0.04	0.07	0.05
Vikas Mathur	0.03	0.01	0.01
	0.03	0.01	0.01

Note no. 41. Contingent liabilities, Contingent assets & Capital Commitments

1 Contingent liabilities not provided for in respect of:-

Particulars	(Rs. In Lacs)		
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Claims against the company not acknowledged as debt			
(a) Provident Fund			
The Honourable Supreme Court has passed a decision on 28th Feb, 2019 in relation to inclusion of certain allowances within the scope of "Basic Wages" for the purpose of determining contribution to provident fund under the Employees Provident Fund and Miscellaneous Provisions Act, 1952. The company based on legal advice, is awaiting further clarification in this matter in order to reasonably assess the impact on its financial statement, if any. Accordingly, the applicability of the judgement to the company with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability cannot be reasonably ascertained at present.	Amount not determinable	Amount not determinable	Amount not determinable

Note: (i) It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above (a) pending resolution of the respective proceedings.

(ii) There is no reimbursement possible on account of contingent liabilities

Note No. 42. Disclosure as per Ind AS 107 'Financial instrument disclosure'

Particulars	(Rs. In Lacs)		
	31st March 2024	31st March 2023	31st March 2022
A) Capital management			
For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value.			
The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions or its business requirements. To maintain or adjust the dividend payment to shareholders, return capital to shareholders or issue new shares, the Company monitors capital using a gearing ratio and includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.			
Gross Debt	4,201.92	3,754.97	
Less: Cash and cash equivalents	13.25	16.80	
Net Debt (A)	4,188.67	3,738.17	
Total Equity (B)	8,487.89	7,559.91	
Gearing Ratio (A/B)	0.49	0.49	
B) Financial risk management			
The Company's principal financial liabilities comprise Borrowings, Trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade & other receivables, cash & cash equivalent, deposits.			
Company is exposed to following risk from the use of its financial instrument:			
a) Credit Risk			
b) Liquidity Risk			
c) Market Risk			
d) Foreign Currency Risk			
e) Interest Rate Risk			
The Company's Financial Risk Management is an integral part of how to plan and execute its business strategies. The Company's financial risk management is set by the Managing Board.			



a) **Credit Risk**
 Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from trade receivables, loans & advances, cash & cash equivalents and deposits with banks and financial institutions.
Trade Receivable
 Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing, and are generally on 7 days to 90 days credit term. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.
 An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 8. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The requirement of impairment is analysed as each reporting date.
Other Financial Instruments and Cash & Cash Equivalent
 The Company maintains its cash & cash equivalent in current account to meet the day to day requirements. Other financial instruments are Deposits, Accrued Interest, Export Incentives Receivables and Other Receivables. The Company's maximum exposure to credit risk for the component of the Balance Sheet as of 31st March, 2024, 31st March, 2023 is the carrying amount as disclosed in Note 9, 10 & 11.

i) **Provision for Expected Credit or Loss**
 Financial assets for which loss allowance is measured using 12 month expected credit losses.
 The Company has assets where the counter-parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised.

ii) **Financial assets for which loss allowance is measured using life time expected credit losses.**

(b) **Liquidity Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	On Demand	0-1 years	1-5 years	More than 5 years	(Rs. In Lacs)	
					Total	Total
Year ended 31st March 2024						
Term Loans*	-	211.08	-	-	-	211.08
Financial Liability (Loans Repayable on Demand)	3,990.84	-	-	-	-	3,990.84
Trade Payables	-	2,781.52	-	-	-	2,781.52
Other Financial Liabilities	-	245.87	-	-	-	245.87
Lease Liability	-	58.74	71.02	114.00	-	243.76
Total	-	3,297.21	71.02	114.00	-	7,473.08
Year ended 31st March 2023						
Term Loans*	-	321.56	211.08	-	-	532.64
Financial Liability (Loans Repayable on Demand)	3,222.33	-	-	-	-	3,222.33
Trade Payables	-	2,575.75	-	-	-	2,575.75
Other Financial Liabilities	-	134.67	-	-	-	134.67
Lease Liability	-	56.23	123.77	120.00	-	300.00
Total	3,222.33	3,088.21	334.85	120.00	-	6,765.39

(Rs. In Lacs)



Particulars	On Demand	0-1 years	1-5 years	More than 5 years	Total
Year ended 31st March 2022					
Term Loans*	-	315.11	528.81	-	843.92
Financial Liability (Loans Repayable on Demand)	4,749.04	-	-	-	4,749.04
Trade Payables	-	3,089.33	-	-	3,089.33
Other Financial Liabilities	-	195.65	-	-	195.65
Lease Liability	-	53.84	168.00	132.00	353.84
Total	4,749.04	3,653.93	696.81	132.00	9,231.78
*Includes contractual interest payment based on interest rate prevailing at the end of reporting period over tenure of the borrowings					
Overdraft or other on demand loan facility, if any available with the Company to be disclosed, to the extent undrawn.					
The Company had access to the following undrawn borrowing facilities at the end of the reporting period:					
Particulars					
(Rs. In Lakhs)					
Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022	As at 31st March 2022	
Floating rate borrowings	-	-	-	-	
Term Loan	-	-	-	-	
Cash Credit and Export Credit Packing Facility	1,481.38	1,69.01	380.90	-	
Vendor Financing and Invoice Discounting	1,900.00	1,308.66	72.50	-	
Total	3,381.38	1,477.67	453.40	-	
c) Market Risk					
Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.					
The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Company. All such transactions are carried out within the guidelines set by the Managing Board.					
d) Foreign Currency Risk					
Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates. The company uses forward contracts to mitigate its risk from foreign currency fluctuations.					
Derivative instruments and unhedged foreign currency exposure:-					
i) Derivative outstanding as at the reporting date - Nil					
ii) Particulars of unhedged foreign currency exposure as at the reporting date					
Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022	As at 31st March 2022	
Financial Assets					
Trade & other receivables	-	-	-	1.66	
Foreign Currency sensitivity					
Particulars	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022	As at 31st March 2022	
1% Appreciation in INR					
Impact on Equity	-	-	-	-	
Impact on P&L	-	-	-	(1.25)	
1% Depreciation in INR					
Impact on Equity	-	-	-	-	
Impact on P&L	-	-	-	-	
The Company's investment consists of investments in non traded (Un-quoted) company held for purposes other than trading. Such investments held in connection with non-consolidated investments represent a low exposure risk for the Company and are not hedged.					
As at 31st March 2024 Company does not have material exposure to listed or unlisted equity price risk.					



Particulars	(Rs. In Lacs)	
	As at 31st March 2024	As at 31st March 2023
Financial Assets		
Fixed Rate		
Security Deposit		
Bank Deposit	10.41	10.02
Total	10.41	10.02
Financial Liabilities		
Fixed Rate		
Term Loans	211.08	532.64
Variable Rate Instruments		
Loan repayable on demand	3,590.84	3,222.33
Total	4,201.92	3,754.97
As at March 31, 2024, approximately 5.25% of the Company's Borrowings are at fixed rate of interest (March 31, 2023 : 14.18% and March 31, 2022: 15.09%)		
Interest rate sensitivity		
The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:		
Particulars	As at 31st March 2024	As at 31st March 2023
0.5% Increase in Rate - Loan repayable on demand Impact on P&L		
0.5% Decrease in Rate - Loan repayable on demand Impact on P&L	(2.00)	(1.61)
	2.00	1.61
		(23.75)
		23.75

Note No. 43. Disclosure as per Ind AS 108 ' Operating segment.

The Company is engaged in production and retail of apparels and home furnishing products having integrated working. For management purposes, Company is organized into major operating activity of the textile products. The company has no activity outside India except export of textile products manufactured in India. Thereby, there is no geographical segment. Accordingly, there is no reportable operating segment.

The entity has been deriving more than 10% of its revenue from two customers. 70% of the revenue from operations has been derived from these customers (PY 2022-23 47.95% from a single customer and PY 2021-22: 51.15% from a single customer)



Note No. 45: Post retirement benefit plans:

A) Defined Contribution Plans

The amount recognized as an expense for defined contribution plans are as under:

Particulars	(Rs. In Lacs)	
	Year Ending 31st March 2024	Year Ending 31st March 2023
Provident fund	20.46	10.89
ESI	8.33	7.85
Total	28.79	18.75
		6.58
		6.10
		12.68

B) Defined Benefits Plans

The company has following post employment benefit which are in the nature of defined benefit plans:

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

Particulars	(Rs. In Lacs)	
	As at 31st March 2024	As at 31st March 2023
Change in defined benefit obligations:		
Defined benefit obligation, beginning of the year		74.81
Interest cost	85.66	4.11
Current service cost	6.42	3.93
Past service cost	12.84	9.48
Benefits paid	-	-
Actuarial (gains)/losses	-	-
Defined benefit obligation, end of the year	(3.11)	(6.25)
Amount recognized in the balance sheet consists of:	101.81	85.66
		78.32

Particulars	(Rs. In Lacs)	
	As at 31st March 2024	As at 31st March 2023
Amounts in the balance sheet		
Current liability	55.60	54.00
Non-current liabilities	46.21	31.65
Net Liability	101.81	85.66
Total amount recognized in Profit or Loss consists of:		78.31

Particulars	(Rs. In Lacs)	
	As at 31st March 2024	As at 31st March 2023
Interest cost	6.42	4.11
Current service cost	12.84	9.48
Total expense recognized in Profit or Loss	19.27	13.78
Amount recognized in other comprehensive income consists of:		

Particulars	(Rs. In Lacs)	
	As at 31st March 2024	As at 31st March 2023
Actuarial (Gain)/Loss on Obligation	(3.11)	(6.25)
Actuarial (Gain)/Loss on obligation Consists	(3.11)	(10.29)

Particulars	(Rs. In Lacs)	
	As at 31st March 2024	As at 31st March 2023
Actuarial (gains)/losses arising from changes in experience adjustments on plan liabilities	(3.11)	(6.25)
Total Actuarial (Gain)/Loss	(3.11)	(10.29)



The assumptions used in accounting for the Gratuity are set out below:

Particulars	(Rs. In Lacs)		
	As at 31st March 2024	As at 31st March 2023	As at 31st March 2022
Discount rate	7.25 % per annum	7.50 % per annum	5.25 % per annum
Mortality	IALM 2012-14	IALM 2012-14	IALM 2012-14
Rate of increase in compensation level of covered employees	5.00 % per annum	5.00 % per annum	5.00 % per annum
Expected average remaining services	27 Years	27.9 Years	28.8 Years
Retirement age	60 Years	60 Years	60 Years
Employee attrition rate	47.00% p.a.	47.00% p.a.	47.00% p.a.

Sensitivity Analysis:

The table below outlines the effect on the service cost, the interest cost and the defined benefit obligation in the event of a decrease/ increase of 1 % in the assumed rate of discount rate.

Assumptions	PV of obligation Gratuity		
	31.03.2024	31.03.2023	31.03.2022
Discount rate	Change in assumption		
	Increase by 1%	100.52	84.64
Salary escalation rate	Change in assumption		
	Increase by 1%	103.14	86.70
Attrition Rate	Change in assumption		
	Increase by 1%	100.48	84.61
	Decrease by 1%		
	102.61	86.14	78.79

Note No. 46 : Disclosure required as per Ind AS 23 "Borrowing Costs":

- The amount of interest capitalised during the year is Rs.Nil(P.Y 2022-23:Nil and P.Y 2021-22: 3.02 Lakhs).
- The rate of Capitalisation used during the P.Y 2021-22 was 5.00%

Note No. 47. Disclosure as required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

- Loans and advances in the nature of loans to Joint Venture: Nil
- Investment by the loanee: Nil

Note No. 48. : Events Occurring After the Reporting Period

- The Board of Directors has recommended Rs.0.97/- (PY 2022-23:Nil and PY 2021-22:- 0.91)final dividend per equity share fully paid up for the year ended 31st March, 2024.

Note No. 49. : Regrouped, Recast, Reclassified

- All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs upto two decimals as per the requirements of Schedule III, unless otherwise stated.
- Previous period's figures in the financial statements, including the notes thereto, have been reclassified wherever required to conform to the current period's presentation/ classification.



S. NO.	Particulars	(A) As at 31st March 2024	(B) As at 31st March 2023	(C) As at 31st March 2022	(D) Variation% (A-B)	(E) Variation% (B-C)	(F) Reason for Variation For (D)	(G) Reason for Variation For (E)
a)	Numerator/Denominator							
	Current Assets	14,243.70	12,636.63	14,518.78				
	Current Liabilities	7441.36	6,386.71	8,480.64	-3.37%	15.57%	Due to increase in Short term Borrowings	Due to decrease in Short term Borrowings
	In_Times	1.91	1.98	1.71				
b)	Total Debt	4,201.92	3,754.97	5,592.96				
	Equity	8,487.89	7,599.91	6,964.72				
	In_Times	0.50	0.50	0.80	-0.33%	-38.15%	Due to proportionate change in Borrowings and equity	Due to decrease in Borrowings
c)	Earnings before Interest, Depreciation and Tax	1,933.76	1,599.47	2,173.62				
	Finance cost for the year + Principal Repayment of long term debt liabilities	598.88	711.34	782.47	30.36%	-19.06%	Due to increase in profits	Due to decline in profits
	In_Times	3.23	2.25	2.78				
d)	Earnings after Tax	1,018.22	776.03	1,116.19				
	Equity	8,487.89	7,599.91	6,964.72				
	In_%	12.00	10.27	16.03	14.43%	-35.95%	Due to increase in profits	Due to decline in profits
e)	COGS	19,480.06	17,127.23	17,168.25				
	Average Inventory	9,546.48	8,515.35	7,927.59				
	In_Times	2.04	2.01	2.17	1.43%	-7.12%	Due to increase in revenue and consequential increase in profits	Due to decline in revenue and consequential decrease in profits
f)	Revenue From Operations	23,009.88	20,176.32	20,581.23				
	Average Trade Receivables	3,718.93	4,310.11	4,654.06				
	In_Times	6.19	4.68	4.42	24.34%	5.86%	Due to increase in recoverability from trade receivables	Due to increase in recoverability from trade receivables
g)	Net Purchases	10,315.67	9,372.46	9,484.02				
	Average Trade Payables	2,678.64	2,832.54	3,519.69				
	In_Times	3.85	3.31	2.69	14.08%	22.80%	Due to early payments being made to trade payables	Due to early payments being made to trade payables
h)	Revenue From Operations	23,009.88	20,176.32	20,581.23				
	Average Working Capital	6,526.14	6,144.03	5,686.50				
	In_Times	3.53	3.28	3.62	6.86%	-9.27%	Due to increase in revenue and consequential increase in profits	Due to decline in revenue and consequential decrease in profits
i)	Net Profit/(Loss) after tax	1018.216263	776.03	1,116.19				
	Revenue From Operations	23,009.88	20,176.32	20,581.23				
	In_%	4.43	3.85	5.42	13.08%	-29.08%	Due to increase in revenue and consequential increase in profits	Due to decline in revenue and consequential decrease in profits
j)	Earnings before Interest and Tax	1,745.19	1,422.94	2,004.24				
	Capital Employed (Average of Equity and total borrowings)	12,002.34	11,996.27	11,586.60				
	In_%	14.54	11.92	17.30	18.01%	-31.08%	Due to increase in revenue and consequential increase in profits	Due to Decrease in profit
k)	Net Gain/(Loss) on sale/fair value changes of current investments	32.30	(4.78)	1.17				
	Current Investment	73.04	42.61	43.54				
	In_%	44.22	-11.22	2.69	125.36%	-516.39%	Due to gain on Investments in the current year	Due to loss on Investments in the current year



Note No. 51.: Summary of reconciliation of quarterly returns filed by the Company with banks & the books of accounts

Particulars	Date	Details	Inventory	Trade Receivables	Trade Payables	Reason
	30-Jun-23	As per books	98,20,60,791.42	43,12,68,445.24	35,07,77,807.53	The discrepancies are as a result of our practice of submitting statements on monthly basis within 15 days from the close of each month. These statements are necessary to ensure timely submission while adhering to regulatory deadlines. However, it's important to emphasize that these discrepancies have not led to any undue advantage or access to excess credit facilities from the bank. Our commitment to transparency and compliance remains steadfast.
		As per returns	87,04,03,944.11	43,38,32,384.00	32,98,07,169.00	
		Difference	11,16,56,847.31	(25,63,938.76)	2,09,70,638.53	
	30-Sep-23	As per books	93,91,43,997.91	47,42,55,297.78	32,36,71,800.00	
		As per returns	91,24,73,097.44	47,48,41,561.00	31,12,28,600.00	
		Difference	2,66,70,900.47	(5,86,663.22)	1,24,43,200.00	
	31-Dec-23	As per books	99,62,38,237.00	42,02,00,671.46	34,19,14,488.00	
		As per returns	96,09,73,690.00	41,83,21,456.00	33,16,18,869.00	
		Difference	3,52,64,547.00	18,79,215.46	1,02,95,619.00	
		As per books	1,02,04,64,729.00	38,51,37,487.16	27,71,82,616.00	
		As per returns	1,02,79,01,020.14	38,64,79,383.00	26,42,74,529.00	
		Difference	(74,36,291.14)	(13,41,895.84)	1,29,08,087.00	
	31-Mar-24					

Note No. 52.:

The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of accounts, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of accounts along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses the accounting software Tally ERP/AAPS for maintaining books of account. During the year ended 31 March 2024, the Company had enabled the feature of recording audit trail (edit log) at the database level for the said accounting softwares Tally ERP and AAPS except that the audit trail feature of software used by the company to maintain payroll records did not operate throughout the year ended 31.03.2024 for the to log any direct data changes on account of recommendation in the accounting software administration guide which states that enabling the same all the time consume storage space on the disk and can impact database performance significantly. Audit trail (edit log) is enabled at the application level.

Note No. 53.: Other Particulars/Disclosures as required by schedule-III are either Nil or Not Applicable.

Note No. 54.: The financial statements were authorised for issue by the Board of Directors on _____.

Material Accounting Policies (Note No.1), Notes on Accounts and other disclosures from Note No. 1 to 54 forming part of these financial statements.
For and on behalf of the Board of Directors
of Bella Casa Fashion & Retail Limited

For BELLA CASA FASHION & RETAIL LIMITED

Harish Kumar Gupta
Chairman cum Whole Time Director
DIN: 01232944
Harish Kumar Gupta
Chairman cum Whole-time Director
DIN: 01323944

For BELLA CASA FASHION & RETAIL LIMITED

Narish Manwani
Chief Financial Officer
Narish Manwani
Financial Officer
PLACE JAIPUR
DATE: 16-08-2024

For BELLA CASA FASHION & RETAIL LIMITED

Pawan Kumar Gupta
Managing Director
DIN: 01543446



SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no outstanding (i) criminal proceedings; (ii) actions taken by statutory and regulatory authorities; (iii) tax proceedings - claims related to direct and indirect taxes in a consolidated manner; (iv) issues of moral turpitude or criminal liability; (v) economic offences and (v) material civil litigation which are determined to be 'material' as per a policy adopted by our Board ("Materiality Policy"), in each case involving our Company, Subsidiary, Promoters or our Directors (collectively, the "Relevant Parties"). Further, there are no disciplinary actions including penalty imposed by the SEBI or stock exchanges against our Promoters in the last five Financial Years including any outstanding action.

It is clarified that for the purposes of the above, pre-litigation notices received by the Relevant Parties from third parties (excluding those notices issued by statutory/regulatory/tax authorities or notices threatening criminal action) shall, unless otherwise decided by our Board, not be considered as 'material' until such time that the Relevant Parties, as applicable, is impleaded as defendant in litigation proceedings before any judicial/arbitral forum.

Except as stated in this section, there are no outstanding material dues to creditors of our Company. Any outstanding litigation involving our Company and its Subsidiary i.e., proceedings other than litigation involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings related to economic offences, shall be considered material and shall be disclosed in this Draft Letter of Offer, if (i) the monetary claim involved in such proceedings is an amount determined to be material in terms of the Materiality Policy ("Materiality Threshold").

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 the date of this Draft Letter of Offer.

I. LITIGATIONS INVOLVING OUR COMPANY

A. Outstanding criminal litigations involving our Company.

Criminal litigation against our Company

As on the date of this Draft Letter of Offer, there are no outstanding civil litigations initiated against our Company.

Criminal litigations initiated by our Company.

As on the date of this Draft Letter of Offer, there are no outstanding criminal litigations initiated by our Company.

B. Other outstanding Material litigation involving our Company

Civil litigations against our Company

As on the date of this Draft Letter of Offer, there are no outstanding Civil Litigations against our Company.

Civil litigations initiated by our Company

As on the date of this Draft Letter of Offer, there are no outstanding Civil Litigations initiated by our Company.

C. Outstanding actions by Statutory or Regulatory Authorities against our Company

As on the date of this Draft Letter of Offer, there are no outstanding actions initiated by Statutory or Regulatory Authorities against our Company.

D. Outstanding tax proceedings involving our Company

As on the date of this Draft Letter of Offer, there are no outstanding tax proceedings involving our Company.

(₹ in lakhs)

Particulars	No. of Cases	Amount Involved
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	Nil	Nil

II. LITIGATIONS INVOLVING OUR SUBSIDIARY

A. Outstanding Criminal Litigations involving our Subsidiary

Criminal litigation against our Subsidiary.

The Company does not have any subsidiaries and hence there are no outstanding criminal litigations initiated against our Subsidiary as on the date of this Draft Letter of Offer.

Criminal litigation initiated by our Subsidiary.

The Company does not have any subsidiaries and hence there are no outstanding criminal litigations initiated by our Subsidiary as on the date of this Draft Letter of Offer.

B. Outstanding Material Litigations involving our Subsidiary

Civil litigations against our Subsidiary

The Company does not have any subsidiaries and hence there are no outstanding civil litigations initiated against our Subsidiary as on the date of this Draft Letter of Offer.

Civil litigations initiated by our Subsidiary

The Company does not have any subsidiaries and hence there are no outstanding civil litigations initiated by our Subsidiary as on the date of this Draft Letter of Offer.

C. Outstanding actions by Statutory or Regulatory Authorities against our Subsidiary

The Company does not have any subsidiaries and hence there are no outstanding actions initiated by Statutory or Regulatory Authorities against our Subsidiary as on the date of this Draft Letter of Offer.

D. Outstanding Tax proceedings involving our Subsidiary

The Company does not have any subsidiaries and hence there are no outstanding tax proceedings involving our subsidiary as on the date of this Draft Letter of Offer.

(₹ in lakhs)

Particulars	No. of Cases	Amount Involved
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	Nil	Nil

III. LITIGATIONS INVOLVING OUR PROMOTERS

A. Outstanding criminal litigations involving our Promoters

Criminal litigations against our Promoters

As on the date of this Draft Letter of Offer, there are no outstanding criminal litigations initiated against our Promoters.

Criminal litigations initiated by our Promoters

As on the date of this Draft Letter of Offer, there are no outstanding criminal litigations initiated by our Promoters.

B. Other outstanding litigations involving our Promoter

Civil litigations against our Promoters

As on the date of this Draft Letter of Offer, there are no outstanding civil litigations against our Promoters.

Civil litigations initiated by our Promoters

As on the date of this Draft Letter of Offer, there are no outstanding civil litigations initiated by our Promoters.

C. Outstanding actions by Statutory or Regulatory authorities against our Promoters

As on the date of this Draft Letter of Offer, there is no outstanding action initiated by Statutory or Regulatory authorities against our Promoters.

D. Outstanding tax proceedings against our Promoters

(₹ in lakhs)

Particulars	No. of Cases	Amount Involved
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	Nil	Nil

IV. LITIGATIONS INVOLVING OUR DIRECTORS

A. Criminal litigations involving our Directors

Criminal litigations against our Directors

As on the date of this Draft Letter of Offer there are no outstanding criminal litigations against our Directors.

Criminal litigations initiated by our Directors

As on the date of this Draft Letter of Offer there are no outstanding criminal litigations initiated by our

Directors.

B. Other outstanding litigations involving our Directors

Civil litigations against our Directors

As on the date of this Draft Letter of Offer, there are no outstanding civil litigations against our Directors.

Civil litigations initiated by our Directors

As on the date of this Draft Letter of Offer, there are no outstanding civil litigations initiated by our Directors.

C. Outstanding actions by Statutory or Regulatory Authorities against any of our Directors

As on the date of this Draft Letter of Offer there are no outstanding actions initiated by the Statutory or Regulatory Authorities against our Directors.

D. Outstanding tax proceedings involving our Directors

(₹ in lakhs)

Particulars	No. of Cases	Amount Involved
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil
Total	Nil	Nil

Outstanding dues to creditors

In terms of the Materiality Policy, creditors of our Company, to whom an amount exceeding 5% of our total outstanding dues (trade payables) as on 31st March, 2024 the date of the latest Restated Financial Statements was outstanding, were considered 'material' creditors.

As per the latest Restated Financial Statements, our total trade payables as on March 31, 2024 was ₹ 2781.52 lakhs and accordingly, creditors to whom outstanding dues exceed ₹ 654.74 lakhs have been considered as 'material creditors' for the purposes of disclosure in this Draft Letter of Offer.

Based on this criteria, details of outstanding dues owed as on March 31, 2024 by our Company on consolidated basis are set out below:

Types of Creditors	Number of Creditors	Amount involved
Micro, small and medium enterprises	368	2126.78
Material Creditors	3	654.74
Other Creditors	0	0
Total	371	2781.52

Material Developments

No circumstances have arisen since March 31, 2024, the date of the last Restated Financial Statements disclosed in this Draft Letter of Offer, any circumstances which materially and adversely affect or are likely to affect the value of our consolidated assets or our ability to pay our material liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. It must, however, be distinctly understood that in granting the approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf. Following statements set out the details of licenses, permissions and approvals obtained by the Company under various central and state legislations for carrying out its business activities.

Our Company have obtained all material consents, licenses, permissions and approvals from governmental and regulatory authorities that are required for carrying on our present business activities. In the event, some of the approvals and licenses that are required for our business operations expire in the ordinary course of business, we will apply for their renewal, from time to time.

As on the date of this Draft Letter of Offer, there are no pending material approvals required for our Company to conduct our existing business and operations.

Since our Company intends to utilize the proceeds of the Issue, after deducting Issue related expenses towards Working capital requirements and for general corporate purposes, no government and regulatory approval pertaining to the Objects of the Issue will be required.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue has been authorized by our Board pursuant to resolution dated August 16, 2024, pursuant Section 62(1)(a) and other applicable provisions of Companies Act, 2013.

The Board of Directors has at its meeting held on [●], determined the Issue Price as ₹ [●]/- per Rights Equity Share, and the Rights Entitlement as [●] Rights Equity Shares for every [●] Equity Shares held on the Record Date.

The Company has been allotted ISIN – [●] for the Rights Entitlement to be credited to the respective demat account of Equity Shareholders of the Company.

Our Company has received in-principle approval from BSE Limited in accordance with Regulation 28 (1) of SEBI (LODR) Regulations for listing of the Right Shares proposed to be allotted pursuant to issue, vide a letter bearing reference number [●] from BSE Limited dated [●]. Our Company will also make application to BSE Limited to obtain their trading approvals for the Rights Entitlements as required under the ASBA Circular.

Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, members of the promoter group and our Directors have not been prohibited from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/court.

Our Directors and Promoters are not directors or promoters of any other company which is debarred from accessing the capital market under any order or direction passed by SEBI or any other authorities.

None of our Directors are, in any manner, associated with the securities market and there is no outstanding action initiated by SEBI against the Directors of our Company in the past five years preceding the date of this Draft Letter of Offer.

Our Company, Promoters or Directors have neither been declared as wilful defaulters nor declared as Fraudulent Borrower by any bank or financial institution or consortium thereof in accordance with the guidelines on wilful defaulters issued by the RBI.

Our Promoters and our Directors have not been declared as Fugitive Economic Offenders under section 12 of Fugitive Economic Offenders Act, 2018.

Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Directors, our Promoters and members of Promoter Group confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Letter of Offer.

Eligibility for the Issue

Our Company is a listed company and has been incorporated under the Companies Act, 1956. Our Equity Shares are presently listed on the Stock Exchange i.e., BSE. Our Company is eligible to undertake the Rights Issue in terms of Chapter III of the SEBI ICDR Regulations and other applicable provisions of the SEBI ICDR Regulations. Further, our Company is undertaking this Issue in compliance with the provisions specified in Part B of Schedule VI of the SEBI ICDR Regulations as stated below:

1. Our Company has been filing periodic reports, statements and information with the BSE in compliance with the Listing Agreement and/ or the provisions of the Listing Regulations, as applicable for the last one year immediately preceding the date of filing of this Draft Letter of Offer with the Designated Stock Exchange.
2. The reports, statements and information referred to in point (1) above are available on the website of BSE.
3. Our Company has an investor grievance handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of powers by our Board of Directors as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

Our Company is in compliance with the conditions specified in Regulations 61 and 62 of the SEBI ICDR Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company undertakes to make an application to the Stock Exchange for listing of the Rights Equity Shares to be issued pursuant to the Issue. BSE is the Designated Stock Exchange for the Issue.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations and given that the conditions specified in Clause (3) of Part B of Schedule VI of SEBI ICDR Regulations are not applicable to our Company, the disclosures in this Draft Letter of Offer are in terms of Clause (4) of Part B of Schedule VI of the SEBI ICDR Regulations

DISCLAIMER CLAUSE OF SEBI

The Draft Letter of Offer has not been filed with SEBI in terms of SEBI ICDR Regulations as the size of the issue is not more than ₹5000 lakhs i.e, ₹4995 lakhs. However, the same shall be submitted to SEBI as a matter of record.

DISCLAIMER CLAUSES FROM OUR COMPANY

Our Company has no responsibility for statements made otherwise than in this Draft Letter of Offer or in any advertisement or other material issued by our Company or by any other persons at the instance of our Company and anyone placing reliance on any other source of information would be doing so at his own risk.

Investors who invest in the Issue will be deemed to have represented to our Company and the respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Rights Equity Shares, and are relying on independent advice / evaluation as to their ability and quantum of investment in the Issue.

DISCLAIMER IN RESPECT OF JURISDICTION

This Draft Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of the Issue will be subject to the jurisdiction of the appropriate court(s) in Jaipur, India only.

The Issue is being made in India to persons resident in India (who are competent to contract under the Indian Contract Act, 1872, as amended), including Indian nationals resident in India, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, domestic mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), systemically important non-banking

financial companies or trusts registered under applicable trust law and who are authorised under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, permitted provident funds and pension funds, insurance funds set up and managed by the army and navy and insurance funds set up and managed by the Department of Posts, India) and permitted Non Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

Caution

Our Company shall make all the relevant information available to the Eligible Shareholders in accordance with the SEBI (ICDR) Regulations and no selective or additional information would be available for a section of the Eligible Shareholders in any manner whatsoever, including at presentations, in research or sales reports, etc., after filing this Draft Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Right Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Draft Letter of Offer is current only as at its date of this Draft Letter of Offer.

Selling Restrictions

This Draft Letter of Offer is solely for the use of the person who has received it from our Company or from the Registrar. This Draft Letter of Offer is not to be reproduced or distributed to any other person.

The distribution of the Draft Letter of Offer and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India may be restricted by the legal requirements prevailing in those jurisdictions. Persons into whose possession the Draft Letter of Offer may come are required to inform them about and observe such restrictions. We are making this Issue of Equity Shares on a rights basis to our Eligible Equity Shareholders and will dispatch the Draft Letter of Offer/ and Application Form to the Eligible Equity Shareholders who have provided an Indian address.

No action has been or will be taken to permit the Issue in any jurisdiction, or the possession, circulation, or distribution of the Draft Letter of Offer, or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction, where action would be required for that purpose, except that this Draft Letter of Offer has been filed with the Stock Exchange.

Accordingly, the Rights Entitlement or Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer or any offering materials or advertisements in connection with the Issue or Rights Entitlement may not be distributed or published in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer.

Receipt of the Draft Letter of Offer, Letter of Offer, or Application Form will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under those circumstances, the Draft Letter of Offer, Letter of Offer, or Application Form must be treated as sent for information only and should not be copied or redistributed. Accordingly, persons receiving a copy of the Draft Letter of Offer, Letter of Offer, or Application Form should not, in connection with the issue of the rights or Rights Equity Shares, distribute or send the same in or into the United States or any other jurisdiction where to do so would or might contravene local securities laws or regulations. If the Draft Letter of Offer, Letter of Offer, or Application Form is received by any person in any such territory, or by their agent or nominee, they must

not seek to subscribe to the Rights Equity Shares or the rights referred to in the Draft Letter of Offer, Letter of Offer, or Application Form.

NO OFFER IN ANY JURISDICTION OUTSIDE INDIA

NO OFFER OR INVITATION TO PURCHASE RIGHTS ENTITLEMENTS OR RIGHTS EQUITY SHARES IS BEING MADE IN ANY JURISDICTION OUTSIDE OF INDIA, INCLUDING, BUT NOT LIMITED TO AUSTRALIA, BAHRAIN, CANADA, THE EUROPEAN ECONOMIC AREA, GHANA, HONG KONG, INDONESIA, JAPAN, KENYA, KUWAIT, MALAYSIA, NEW ZEALAND, SULTANATE OF OMAN, PEOPLE'S REPUBLIC OF CHINA, QATAR, SINGAPORE, SOUTH AFRICA, SWITZERLAND, THAILAND, THE UNITED ARAB EMIRATES, THE UNITED KINGDOM AND THE UNITED STATES. THE OFFERING TO WHICH THIS DRAFT LETTER OF OFFER RELATES IS NOT, AND UNDER NO CIRCUMSTANCES IS TO BE CONSTRUED AS, AN OFFERING OF ANY RIGHTS EQUITY SHARES OR RIGHTS ENTITLEMENT FOR SALE IN ANY JURISDICTION OUTSIDE INDIA OR AS A SOLICITATION THEREIN OF AN OFFER TO BUY ANY OF THE SAID SECURITIES. ACCORDINGLY, THIS DRAFT LETTER OF OFFER SHOULD NOT BE FORWARDED TO OR TRANSMITTED IN OR INTO ANY OTHER JURISDICTION AT ANY TIME.

NO OFFER IN THE UNITED STATES

The Rights Entitlements and Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933 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 any applicable U.S. state securities laws. The rights entitlements and equity shares referred to in the Draft Letter of Offer are being offered in India, but not in the United States. The offering to which the Draft Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any equity shares or rights entitlements for sale in the United States or as a solicitation therein of an offer to buy any of the said securities. Accordingly, the Draft Letter of Offer should not be forwarded to or transmitted in or into the United States at any time.

Disclaimer clause of BSE

As required, a copy of this Draft Letter of Offer shall be submitted to BSE. The disclaimer clause as intimated by BSE to us, post scrutiny of this Draft Letter of Offer shall be included in the Letter of Offer prior to filing with the Stock Exchange.

Filing

The Draft Letter of Offer has not been filed with the SEBI for its observations as the size of the issue is not more than ₹5,000 lakhs i.e. ₹ 4995 lakhs which does not require issuer to file Draft Letter of Offer with SEBI. The Company has filed Draft Letter of Offer with the BSE for obtaining in-principle approval.

Listing

Our Company will apply to BSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

Consents

Consents in writing of our Directors, our Company Secretary and Compliance Officer, our Chief Financial

Officer, the Bankers/ Lenders to our Company, Statutory Auditors and the Registrar to the Issue have been obtained and such consents shall not be withdrawn up to the date of this Draft Letter of Offer.

Mechanism for redressal of Investor Grievances

The Registrar Agreement provides for retention of records with the Registrar to the Issue for a minimum period of eight years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

Investors can contact the Company Secretary and Compliance Officer and/or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Issue related queries and for redressal of complaints, Bidders may also write to the Registrar to the Issue, in the manner provided below.

Disposal of investor grievances by our Company

Our Company has adequate arrangements for redressal of investor grievances in compliance with the SEBI Listing Regulations. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular no. CIR/ OIAE/ 2/ 2011 dated June 03, 2011 and shall comply with the SEBI circular no. CIR/OIAE/1/2014 dated December 18, 2014 and the SEBI Master Circular on the redressal of investor grievances through the SEBI Complaints Redress System (SCORES) platform dated November 07, 2022 (SEBI circular no. SEBI/HO/OIAE/IGRD/P/CIR/2022/0150), in relation to redressal of investor grievances through SCORES. Consequently, investor grievances are tracked online by our Company. Furthermore, our Company has also registered itself on the Online Dispute Redressal portal (“ODR”) introduced by SEBI.

Our Company has also constituted a Stakeholders Relationship Committee to review and redress the shareholders and investor grievances including, redressing of security holder’s and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates, general meetings, services rendered by the Registrar to the Issue, For further details, please see “*Our Management*” on page 76.

Our Company has appointed Ms. Sonika Gupta, our Company Secretary, as our Compliance Officer. For details, please see the section entitled “*Our Management*” on page 76.

As on the date of filing of this Draft Letter of Offer, there are no investor complaint pending as on the date of filing of this Draft Letter of Offer.

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be twenty-one Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Investor Grievances arising out of this Issue

Our Company’s investor grievances arising out of the Issue will be handled by KFin Technologies Ltd, who is the Registrar to the Issue. The Registrar to the Issue will have a separate team of personnel handling only post- Issue correspondence.

All grievances relating to this Issue may be addressed to the Registrar to the Issue giving full details such as folio no., name and address, contact details, Email-ID of the first applicant, number and type of Equity

Shares applied for, Application Form serial number, amount paid on application and the name of the bank and the branch where the application was deposited, along with a photocopy of the acknowledgement slip. In case of renunciation, the same details of the renouncee should be furnished

The average time taken by the Registrar to the Issue for attending to routine grievances will be approx. ten (10) to twenty-one (21) days from the date of receipt of complaints. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavour of the Registrar to the Issue to attend to them as expeditiously as possible. Our Company undertakes to resolve the Investor grievances in a time bound manner.

Investors may contact the Company Secretary and Compliance Officer of our Company and/ or Registrar to the Issue at the below mentioned address in case of any pre-Issue/ post-Issue related problems such as non-receipt of allotment advice/ demat credit etc.

Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer of our Company for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), email address of the sole/ first holder, folio number or demat account number, number of Right Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, please refer to the section titled "*Terms of the Issue*" on page 143 of this Draft Letter of Offer.

For contact details of Company Secretary and Registrar to the Issue, please refer to the section "*Introduction*" on page 41 of this Draft Letter of Offer.

Disposal of investor grievances by listed Group Companies and Subsidiary

Our Company does not have any subsidiary or Group Company as on the date of this Draft Letter of Offer.

Exemption from complying with any provisions of securities laws, if any, granted by SEBI

As on the date of this Draft Letter of Offer, our Company has not been granted by SEBI any exemption from complying with any provisions of securities laws.

SECTION VII - ISSUE INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Investors proposing to apply in the Issue. Investors should carefully read the provisions contained in this Draft Letter of Offer, Letter of Offer, the Rights Entitlement Letter and the Application Form, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is accurately filled up in accordance with instructions provided therein and this Draft Letter of Offer. Unless otherwise permitted under the SEBI ICDR Regulations read with the SEBI Master Circular, Investors proposing to apply in the Issue can apply only through ASBA or by mechanism as disclosed in this Draft Letter of Offer.

Investors are requested to note that application in the Issue can only be made through ASBA or any other mode which may be notified by SEBI.

The Rights Entitlement on the Equity Shares, the ownership of which is currently under dispute and including any court proceedings or are currently under transmission or are held in a demat suspense account and for which our Company has withheld the dividend, shall be held in abeyance and the Application Form along with the Rights Entitlement Letter in relation to these Rights Entitlements shall not be dispatched pending resolution of the dispute or court proceedings or completion of the transmission or pending their release from the demat suspense account. On submission of such documents /records confirming the legal and beneficial ownership of the Securities with regard to these cases on or prior to the Issue Closing Date, to the satisfaction of our Company, our Company shall make available the Rights Entitlement on such Equity Shares to the identified Eligible Equity Shareholder. The identified Eligible Equity Shareholder shall be entitled to subscribe to the Rights Equity Shares pursuant to the Issue during the Issue Period with respect to these Rights Entitlement and subject to the same terms and conditions as the Eligible Equity Shareholder. The Issue is proposed to be undertaken on a rights basis and is subject to the terms and conditions contained in this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, the FEMA, the FEMA Rules, the SEBI ICDR Regulations, the SEBI LODR Regulations and the guidelines, notifications, circulars and regulations issued by SEBI, the RBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with Stock Exchange and the terms and conditions.

I. DISPATCH AND AVAILABILITY OF ISSUE MATERIALS

In accordance with the SEBI ICDR Regulations and SEBI Master Circular, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided their Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then, the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Further, this Draft Letter of Offer and the Letter of Offer will be sent/ dispatched to the Eligible Equity Shareholders who have provided Indian address and who have made a request in this regard.

Investors can access this Draft Letter of Offer, the Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable laws) on the websites of:

- (i) Our Company at www.bellacasa.in
- (ii) the Registrar at www.kfintech.com and
- (iii) the Stock Exchange at www.bse.com

To update the respective Indian addresses/e-mail addresses/phone or mobile numbers in the records maintained by the Registrar or by our Company, Eligible Equity Shareholders should visit www.kfintech.com.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., www.kfintech.com) by entering their DP ID and Client ID and PAN. The link for the same shall also be available on the website of our Company (i.e., www.bellacasa.in).

Further, our Company will undertake all adequate steps to reach out the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible. Please note that neither our Company nor the Registrar shall be responsible for not sending the physical copies of Issue materials, including this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter and the Application Form or delay in the receipt of this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non-availability of the email addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit.

The distribution of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Rights Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit the Issue in any jurisdiction where action would be required for that purpose, except that this Draft Letter of Offer is being filed with the Stock Exchange. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with the Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed. Accordingly, persons receiving a copy of this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter or the Application Form should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter or the Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates to any filing or registration requirement (other than in India). If this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter or the Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter or the Application Form.

Any person who makes an application to acquire Rights Entitlements and the Rights Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and

regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates to make any filing or registration (other than in India).

Our Company is undertaking the Issue on a rights basis to the Eligible Equity Shareholders and will send this Draft Letter of Offer, the Letter of Offer, the Application Form and other applicable Issue materials primarily to email addresses of Eligible Equity Shareholders who have provided a valid email addresses and an Indian address to our Company.

This Draft Letter of Offer is being provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard.

II. PROCESS OF MAKING AN APPLICATION IN THE ISSUE

In accordance with Regulation 76 of the SEBI ICDR Regulations, the SEBI Master Circular and the ASBA Circulars, all Investors desiring to make an Application in the Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees, to make Applications in the Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see "*Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders*" on page 155 of this Draft Letter of Offer.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in the Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors are also advised to ensure that the Application Form is correctly filled in, stating therein the ASBA Account in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For details, see "*Grounds for Technical Rejection*" on page 151 of this Draft Letter of Offer.

Our Company, the Registrar and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in the Issue by making plain paper Applications. Please note that SCSBs shall accept such applications only if all details required for making the application as per the SEBI ICDR Regulations are specified in the plain paper application and that Eligible Equity Shareholders making an application in the Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements.

- **Options available to the Eligible Equity Shareholders**

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to. Details of each of the Eligible Equity Shareholders' Rights Entitlement will be sent to the Eligible Equity shareholder separately along with the Application Form and would also be available on the website of the Registrar to the Issue at www.kfintech.com and link of the same would also be available on the website of our Company at www.bellacasa.in. Respective Eligible Equity Shareholder can check their entitlement by keying their requisite details therein.

If the Eligible Equity Shareholder applies in the Issue, then such Eligible Equity Shareholder can:

1. apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
2. apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
3. apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
4. apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for Additional Rights Equity Shares; or
5. renounce its Rights Entitlements in full.

- **Making of an Application through the ASBA process**

An Investor, wishing to participate in the Issue through the ASBA facility, is required to have an ASBA enabled bank account with SCSBs, prior to making the Application. Investors desiring to make an Application in the Issue through ASBA process, may submit the Application Form in physical mode to the Designated Branches of the SCSB or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form and have provided an authorisation to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. Please note that subject to SCSBs complying with the requirements of the SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs. Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in the Issue and clear demarcated funds should be available in such account for such an Application.

Our Company, our directors, employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc., in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but

not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process.

Do's:

- (a) Ensure that the necessary details are filled in the Application Form including the details of the ASBA Account.
- (b) Ensure that the details about your Depository Participant, PAN and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.
- (c) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.
- (d) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- (e) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application Form and have signed the same.
- (f) Ensure that you have a bank account with SCSBs providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- (g) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- (h) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter.
- (i) Ensure that your PAN is linked with Aadhaar and you are in compliance with CBDT notification.

Don'ts:

- (a) Do not apply if you are not eligible to participate in the Issue under the securities laws applicable to your jurisdiction.
- (b) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa.
- (c) Do not send your physical Application to the Registrar, the Banker to the Issue, a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- (d) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process upon making the Application.
- (e) Do not submit Application Form using third party ASBA account.
- (f) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- (g) Do not submit multiple Applications.

• **Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process**

An Eligible Equity Shareholder in India who is eligible to apply under the ASBA process may make an Application to subscribe to the Issue on plain paper in case of non-receipt of Application Form as detailed above and only such plain paper applications which provide all the details required in terms of Regulation 78 of SEBI ICDR Regulations shall be accepted by SCSBs. Alternatively, Eligible Equity Shareholders may also use the Application Form available online on the websites of our Company, the Registrar to the Issue, the Stock Exchange to provide requisite details.

An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. Applications on plain paper will not be accepted from any Eligible Equity Shareholder from an address outside India.

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently. The Application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his/her bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

- Name of our Company, being Bella Casa Fashion & Retail Limited;
- Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to the Issue;
- Registered Folio Number/ DP and Client ID No.;
- Number of Equity Shares held as on Record Date;
- Allotment option - only dematerialised form;
- Number of Equity Shares entitled to;
- Number of Equity Shares applied for within the Rights Entitlements;
- Number of Additional Equity Shares applied for, if any (applicable only if entire Rights Entitlements have been applied for);
- Total number of Equity Shares applied for;
- Total amount paid at the rate of ₹ [●] per Equity Share;
- Details of the ASBA Account such as the SCSB account number, name, address and branch of the relevant SCSB;
- In case of Non-Resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE / FCNR/ NRO account such as the account number, name, address and branch of the SCSB with which the account is maintained;
- Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
- All such Eligible Equity Shareholders shall be deemed to have made the representations, warranties and agreements set forth in "*Restrictions on Foreign Ownership of Indian Securities*" shall include the following:

"I/We hereby make representations, warranties and agreements set forth in "Restrictions on Foreign Ownership of Indian Securities " of the Draft Letter of Offer.

I/We acknowledge that the Company, its affiliates and others will rely upon the truth and accuracy of the representations, warranties and agreements set forth therein."

In cases where Multiple Application Forms are submitted for applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, as applicable, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at www.kfintech.com.

Our Company and the Registrar shall not be responsible if the applications are not uploaded by the SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

- **Application for Additional Rights Equity Shares**

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Rights Equity Shares shall be considered, and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in "Basis of Allotment" on page 164.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares. Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for Additional Rights Equity Shares.

Additional general instructions for Investors in relation to making of an application:

- (a) Please read this Draft Letter of Offer and Application Form carefully to understand the Application process and applicable settlement process.
- (b) In accordance with the SEBI ICDR Master Circular, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, shall not be eligible to make an Application for Rights Equity Shares against their Rights Entitlements with respect to the equity shares held in physical form.
- (c) Please read the instructions on the Application Form sent to you.
- (d) The Application Form can be used by both the Eligible Equity Shareholders and the Renounees.
- (e) Application should be made only through the ASBA facility.
- (f) Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected.
- (g) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section "***Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process***" beginning on page 147.
- (h) In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI ICDR Master Circular and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.
- (i) An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.
- (j) Applications should be submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please

note that on the Issue Closing Date, Applications through ASBA process will be uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as permitted by the BSE.

- (k) Applications should not be submitted to the Bankers to the Issue, our Company or the Registrar or the Lead Manager.
- (l) In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form.
- (m) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be "suspended for credit" and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.
- (n) In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid.
- (o) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.
- (p) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- (q) All communication in connection with Application for the Rights Equity Shares, including any change in address, contact details of the Eligible Equity Shareholders should be addressed to the Registrar prior to the Date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers (for Eligible Equity Shareholders who hold Equity Shares in physical form, as applicable, as on Record Date)/DP ID and Client ID and Application Form number, as applicable. In case of any change in address, contact details of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective Depository Participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form, as applicable.
- (r) Only persons outside restricted jurisdictions and who are eligible to subscribe for Rights Entitlement and Rights Equity Shares under applicable securities laws are eligible to participate.
- (s) In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

• **Grounds for Technical Rejection**

Applications made in the Issue are liable to be rejected on the following grounds:

- (a) DP ID and Client ID mentioned in Application does not match with the DP ID and Client ID records available with the Registrar.
- (b) Details of PAN mentioned in the Application do not match with the PAN records available with the Registrar.
- (c) Sending an Application to our Company, Registrar, Banker to the Issue, to a branch of a SCSB which is not a Designated Branch of the SCSB.
- (d) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- (e) Funds in the ASBA Account whose details are mentioned in the Application Form have been frozen pursuant to regulatory orders.
- (f) Account holder not signing the Application or declaration mentioned therein.
- (g) Submission of more than one Application Form for Rights Entitlements available in a particular demat account.
- (h) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
- (i) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- (j) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the Demographic Details provided by the Depositories.
- (k) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- (l) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Draft Letter of Offer.
- (m) Physical Application Forms not duly signed by the sole or joint Investors, as applicable.
- (n) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- (o) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- (p) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs and "qualified purchasers" (as defined under the U.S. Investment Company Act of 1940, as amended and referred to in this Draft Letter of Offer as "QPs") or other jurisdictions where the offer and sale of the Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) both a U.S. QIB and a QP, if in the United States or a U.S. Person or (b) outside the United States and is a non-US. Person, and in each case such person is eligible to subscribe for the Equity Shares under applicable securities laws and is complying with laws of jurisdictions applicable to such person in connection with this Issue; and our Company shall not be bound to issue or allot any Equity Shares in respect of any such Application Form.
- (q) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- (r) Application from Investors that are residing in U.S. address as per the depository records (other than from persons in the United States who are U.S. QIBs and QPs).
- (s) Applicants not having the requisite approvals to make application in the Issue.
- (t) **IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS**

ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER, FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

- (u) Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.
- (v) These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. By signing the Application Forms, the Investors would be deemed to have authorized the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.
- (w) The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs or the Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.
- (x) In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID & Client ID, and (c) the beneficiary account number, then such Application Forms are liable to be rejected.

- **Multiple Applications**

In case where multiple Applications are made using same demat account in respect of the same Rights Entitlement, such applications shall be liable to be rejected. A separate application can be made in respect of Rights Entitlements in each demat account of the Investors and such applications shall not be treated as multiple applications. Similarly, a separate application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. Further, additional applications in relation to additional Rights Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application. A separate application can be made in respect of each scheme of a mutual fund registered with SEBI and such applications shall not be treated as multiple applications. For details, see “*Procedure for Applications by Mutual Funds*” on page 154.

In cases where Multiple Application Forms are submitted, including cases where (a) an Investor submits Application Forms along with a plain paper application or (b) multiple plain paper applications (c) or multiple applications through ASBA, such applications shall be treated as multiple applications and are liable to be rejected, other than multiple applications submitted by our Promoter to meet the minimum subscription requirements applicable to the Issue.

- **Procedure for Applications by certain categories of Investors**

Procedure for Applications by FPIs

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the multiple entities having common ownership, directly or indirectly, of more than 50% or common control) must be below 10% of our post- Issue Equity Share capital. Further, in terms of FEMA Rules, the total holding by each FPI shall be below 10% of the total paid-up equity share capital of a company on a fully-diluted basis and the total holdings of all FPIs put together shall not exceed 24% of the paid-up equity share capital of a company on a fully diluted basis.

Further, pursuant to the FEMA Rules the investments made by a SEBI registered FPI in a listed Indian company will be reclassified as FDI if the total shareholding of such FPI increases to more than 10% of the total paid-up equity share capital on a fully diluted basis or 10% or more of the paid-up value of each series of debentures or preference shares or warrants.

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. FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. 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 an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event.

(i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

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 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.

Procedure for Applications by AIFs, FVCIs, VCFs and FDI route

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in the Issue. Further, venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in the Issue. Other categories of AIFs are permitted to apply in the Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in the Issue under applicable securities laws. As per the FEMA Rules, an NRI or Overseas Citizen of India ("**OCI**") may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCT will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with Press Note 3 of 2020, the FDI Policy has been amended to state that all investments by entities incorporated in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

Procedure for Applications by Mutual Funds

Applications made by asset management companies or custodians of Mutual Funds should clearly and specifically state names of the concerned schemes for which such Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in 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.

Procedure for applications by Systemically Important NBFCs

In case of application made by Systemically Important NBFCs registered with the RBI, (i) the certificate of registration issued by the RBI under Section 45 -IA of the RBI Act, 1934 and (ii) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

- ***Last date for Application***

The last date for submission of the duly filled in the application form or a plain paper application is [●], i.e., Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the application form is not submitted with an SCSB, uploaded with the Stock Exchange and the application money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may

be extended by our Board or any committee thereof, the invitation to offer contained in this Draft Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Equity Shares hereby offered, as set out in "*Basis of Allotment*" on page 164.

Please note that on the Issue Closing Date, applications through ASBA process will be uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as permitted by BSE. Please ensure that the application form and necessary details are filled in. In place of application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

- **Withdrawal of Application**

An Investor who has applied in the Issue may withdraw their application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, applying through ASBA facility, can withdraw their application post 5:00 p.m. (Indian Standard Time) on the Issue Closing Date.

- **Disposal of Application and Application Money**

No acknowledgment will be issued for the application money received by our Company. However, the Designated Branches of the SCSBs receiving the application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each application form.

Our Board reserves its full, unqualified and absolute right to accept or reject any application, in whole or in part, and in either case without assigning any reason thereto.

In case an application is rejected in full, the whole of the application money will be unblocked in the respective ASBA Accounts. Wherever an application is rejected in part, the balance of application money, if any, after adjusting any money due on Rights Equity Shares allotted, will be refunded/ unblocked in the respective bank accounts from which application money was received/ ASBA Accounts of the Investor finalisation of basis of allotment in consultation with Designated Stock exchange. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

III. CREDIT OF RIGHTS ENTITLEMENTS IN DEMAT ACCOUNTS OF ELIGIBLE EQUITY SHAREHOLDERS

- **Rights Entitlements**

As your name appears as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., www.kfintech.com) by entering their DP ID and Client ID or folio number (for Eligible Equity Shareholders who hold Equity Shares in physical form as on Record Date) and PAN. The link for the same shall also be available on the website of our Company (i.e., www.bellacasa.in).

In this regard, our Company has made necessary arrangements with NSDL and CDSL for crediting the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is [●]. The said ISIN shall remain

frozen (for debit) until the Issue Opening Date. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchange after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. Further, if no application is made by the Eligible Equity Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall lapse and shall be extinguished after the Issue Closing Date. No Rights Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an application to apply for Rights Equity Shares offered under Issue for subscribing to the Rights Equity Shares offered under Issue.

If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e. www.kfintech.com). Such Eligible Equity Shareholders can make an application only after the Rights Entitlements are credited to their respective demat accounts.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Master Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only.

Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account (namely, ".....") opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in the account of the IEPF authority; or (b) the demat accounts of the Eligible Equity Shareholder which are frozen or the Equity Shares which are lying in the unclaimed suspense account (including those pursuant to Regulation 39 of the SEBI LODR Regulations) or details of which are unavailable with our Company or with the Registrar on the Record Date; or (c) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings, if any; or (f) non-institutional equity shareholders in the United States.

Eligible Equity Shareholders are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, i.e., by [●], [●] to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in the Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard.

Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to our Company or the Registrar is active to facilitate the aforementioned transfer.

IV. RENUNCIATION AND TRADING OF RIGHTS ENTITLEMENT

- **Renounees**
All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to the Issue shall apply to the Renounee(s) as well.
- **Renunciation of Rights Entitlements**
The Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favor of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchange or through an off-market transfer.

- **Procedure for Renunciation of Rights Entitlements**
The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchange (the "**On Market Renunciation**"); or (b) through an off-market transfer (the "**Off Market Renunciation**"), during the Renunciation Period. The Investors should have the demat Rights Entitlements credited lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

In accordance with the SEBI Master Circular, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of REs not later than two working days prior to Issue Closing Date, such that credit of REs in their demat account takes place at least one day before Issue Closing Date, thereby enabling them to renounce their Rights Entitlements through Off Market Renunciation.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock-broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

- **Payment Schedule of Rights Equity Shares**
₹ [●] per Rights Equity Share (including premium of ₹ [●] per Rights Equity Share) shall be payable as follows:

	Face Value (₹ Per Rights Equity Share)	Premium (₹ Per Rights Equity Share)	Total (₹ Per Rights Equity Share)
On Application	[●]	[●]	[●]

Each Rights Equity Share is being offered at a price of ₹ [●]/- per Rights Equity Share (including a premium of ₹ [●]/- per Rights Equity Share), for every 1 Rights Equity Share allotted in this Issue.

(a) On Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchange through a registered stock-broker in the same manner as the existing Equity Shares of our Company. In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Master Circular, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchange under ISIN: [●] subject to requisite approvals. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchange for trading of Rights Entitlements. No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (one) Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [●], [●] to [●], [●] (both days inclusive). The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock-brokers by quoting the ISIN: [●] and indicating the details of the Rights Entitlements they intend to trade. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on the secondary market platform of the Stock Exchange under automatic order matching mechanism and on T+1 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock-broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

(b) Off Market Renunciation

The Eligible Equity Shareholders may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only. Eligible Equity Shareholders are requested to ensure that renunciation through off market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date to enable Renounees to subscribe to the Rights Equity Shares in the Issue.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN: [●], the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off market transfer shall be as specified by the NSDL and CDSL from time to time.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and *vice versa* shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favor of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

V. MODE OF PAYMENT

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

The Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account. The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on application mentioned in the Application Form. Subsequent to the acceptance of the application by the SCSB, our Company would have a right to reject the application on technical grounds as set forth in this Draft Letter of Offer.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account(s) which shall be a separate bank account maintained by our Company in accordance with sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in the Issue.

- **Mode of payment for Resident Investors**

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

- **Mode of payment for Non-Resident Investors**

As regards the Application by non-resident Investors, payment must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by RBI and subject to the following:

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income tax Act. However, please note that conditions applicable at the time of original investment

in our Company by the Eligible Equity Shareholder including repatriation shall not change and remain the same for subscription in the Issue or subscription pursuant to renunciation in the Issue.

2. Subject to the above, in case Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.
6. Non-resident Renouncees who are not Eligible Equity Shareholders must submit regulatory approval for applying for Additional Rights Equity Shares.

VI. BASIS FOR THE ISSUE AND TERMS OF THE ISSUE

The Rights Equity Shares are being offered for subscription to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

For principal terms of Issue such as face value, Issue Price, Rights Entitlement ratio, see "*The Issue*" beginning on page 41.

- **Fractional Entitlements**

The Rights Equity Shares are being offered on a rights basis to Eligible Equity Shareholders in the ratio of [●] Rights Equity Shares for every [●] Equity Shares held on the Record Date. For Equity Shares being offered on a rights basis under the Issue, if the shareholding of any of the Eligible Equity Shareholders is less than [●] Rights Equity Shares or not in the multiple of [●], the fractional entitlement of such Eligible Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the allotment of one additional Equity Share each if they apply for additional Equity Shares over and above their rights entitlement, if any.

For example, if an Eligible Equity Shareholder holds [●] Equity Shares, such Equity Shareholder will be entitled to [●] Equity Share and will also be given a preferential consideration for the Allotment of one Additional Rights Equity Share if such Eligible Equity Shareholder has applied for Additional Rights Equity Shares, over and above his/her Rights Entitlements, subject to availability of Rights Equity Shares in the Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than [●] Equity Shares shall have 'zero' entitlement in the Issue. Such Eligible Equity Shareholders are entitled to apply for additional Equity Shares and will be given preference in the allotment of one additional Equity Share if, such Eligible Equity Shareholders apply for the additional Equity Shares. However, they cannot renounce the same in favor of third parties and the application forms shall be non-negotiable.

- **Ranking**

The Rights Equity Shares to be issued and Allotted pursuant to the Issue shall be subject to the provisions of this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI LODR Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock

Exchange and the terms and conditions as stipulated in the Allotment advice. The Rights Equity Shares to be issued and Allotted under the Issue shall rank *pari passu* with the existing Equity Shares, in all respects including dividends.

• **Listing and trading of the Rights Equity Shares to be issued pursuant to the Issue**

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on BSE. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to the Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in-principle approval from the BSE through its letter bearing reference number [●] dated [●], respectively. Our Company will apply to the Stock Exchange for final approval for the listing and trading of the Rights Equity Shares subsequent to its allotment.

No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof. The existing Equity Shares are listed and traded on BSE (Scrip Code: 539399) under the ISIN: INE344T01014. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchange.

Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Rights Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL.

The listing and trading of the Rights Equity Shares issued pursuant to the Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from BSE, our Company shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within the period as prescribed by applicable law or otherwise after receipt of intimation from BSE, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/unblocked within such time after our Company becomes liable to repay it, our Company and every director of our Company who is an officer-in-default shall, on and from the expiry of such period as may be prescribed, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

• **Rights of Holders of Equity Shares of our Company**

Subject to applicable laws, Shareholders who have been Allotted Equity Shares pursuant to the Issue shall have the following rights:

- The right to receive dividend, if declared;
- The right to receive surplus on liquidation;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to free transferability of Equity Shares;
- The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited/ restricted by law and as disclosed in the Letter of Offer; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

VII. GENERAL TERMS OF THE ISSUE

- **Market Lot**

The Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Equity Shares in dematerialised mode is one Equity Share.

- **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Equity Shares offered in the Issue.

- **Nomination**

Nomination facility is available in respect of the Equity Shares in accordance with the provisions of Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the allotment is in dematerialised form, there is no need to make a separate nomination for the Equity Shares to be allotted in the issue. Nominations registered with the respective DPs of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

- **Arrangements for Disposal of Odd Lots**

The Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Equity Share and hence, no arrangements for disposal of odd lots are required.

- **Restrictions on transfer and transmission of shares and on their consolidation/splitting**

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue. However, the Investors should note that pursuant to provisions of the SEBI LODR Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not be effected unless the securities are held in the dematerialized form with a depository.

- **Notices**

In accordance with the SEBI ICDR Regulations and the SEBI Master Circular, our Company will send through email and speed post, the Application Form, the Rights Entitlement Letter and other Issue material will be sent/ dispatched only to the Eligible Equity Shareholders who have provided Indian address. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Application Form, the Rights Entitlement Letter and other Issue material will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then, the Application Form, the Rights Entitlement Letter and other Issue material will be physically dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with nationwide circulation, one Hindi language national daily newspaper with nationwide circulation and one regional daily newspaper with statewide circulation. This Draft Letter of Offer, the Letter of Offer, and the Application Form shall also be submitted with the Stock Exchange for making the same available on their websites.

- **Offer to Non-Resident Eligible Equity Shareholders/Investors**

As per Rule 7 of the FEMA Rules, RBI has given general permission to a person resident outside India and having investment in an Indian company to make investment in rights equity shares issued by such company subject to certain conditions. Further, as per the Master Direction on Foreign Investment in India dated

January 4, 2018 issued by RBI, non-residents may, amongst other things, subject to the conditions set out there in (i) subscribe for additional shares over and above their rights entitlements; (ii) renounce the shares offered to them either in full or part thereof in favor of a person named by them; or (iii) apply for the shares renounced in their favor. Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlement Letters/ letters of Allotment/Allotment advice.

If a non-resident or NRI Investor has specific approval from RBI or any other governmental authority, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at their mail ID. It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals, the Rights Entitlement Letter and Application Form shall be sent only to the Indian addresses of the non-resident Eligible Equity Shareholders on a reasonable efforts basis, who have provided an Indian address to our Company and located in jurisdictions where the offer and sale of the Rights Equity Shares may be permitted under laws of such jurisdictions. Eligible Equity Shareholders can access this Draft Letter of Offer, the Letter of Offer, and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company and the Stock Exchange.

Further, Application Forms will be made available at Registered and Corporate Office of our Company for the non-resident Indian Applicants. Our Board may at its absolute discretion agree to such terms and conditions as may be stipulated by RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions regarding the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis. In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened.

Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THE ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE "ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS" ON PAGE 165

VIII. ISSUE SCHEDULE

Issue Opening Date	[●]
Last date for Application Form and Market Renunciation*	[●]
Issue Closing Date	[●]
Finalisation the basis of allotment (on or about)	[●]
Date of Allotment (on or about)	[●]
Date of credit (on or about)	[●]
Date of listing (on or about)	[●]

**Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the*

Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is

completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date.

Our Board may, however, decide to extend the Issue Period as it may determine from time to time but not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

Investors are advised to ensure that the Application Forms are submitted on or before the Issue Closing Date. Our Company and/or the Registrar to the Issue will not be liable for any loss on account of non-submission of Application Forms or on before the Issue Closing Date.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two clear Working Days prior to the Issue Closing Date, i.e., [●], [●] to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date, i.e., [●], [●].

IX. BASIS OF ALLOTMENT

Subject to the provisions contained in this Draft Letter of Offer, the Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to allot the Rights Equity Shares in the following order of priority:

- (a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favor, in full or in part, as adjusted for fraction entitlement.
- (b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one Additional Rights Equity Share each if they apply for Additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
- (c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of the Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.
- (d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favor, have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of the Issue and will not be a preferential allotment.
- (e) Allotment to any other person, subject to applicable laws, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in the Issue, along with:

- The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for the Issue, for each successful application;
- The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

Further, the list of Applicants eligible for refund with corresponding amount will also be shared with Banker to the Issue to refund such Applicants.

X. ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS

Our Company will send/ dispatch Allotment advice, refund intimations, if applicable or demat credit of securities and/or letters of regret, only to the Eligible Equity Shareholders who have provided Indian address; along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company and our Directors who are "officers in default" shall pay interest at such rate as specified under applicable law from the expiry of such 15 days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through a mail, to the Indian mail address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for Additional Rights Equity Shares in the Issue and is Allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI ICDR Regulations. In the event when there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

XI. PAYMENT OF REFUND

• Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes:

- (a) Unblocking amounts blocked using ASBA facility.
- (b) NACH - National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by RBI, where such facility has been made available. This would be subject to availability of complete bank account details including a Magnetic Ink Character Recognition ("**MICR**") code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centers where NACH facility has been made available by RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
- (c) National Electronic Fund Transfer ("**NEFT**") - Payment of refund shall be undertaken through NEFT wherever the Investors' bank has been assigned the Indian Financial System Code ("**IFSC Code**"),

which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.

- (d) Direct Credit - Investors having bank accounts with the Banker to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
- (e) RTGS - If the refund amount exceeds Rs. 2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the Refund Bank for the same would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.
- (f) For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favor of the sole/first Investor and payable at par.
- (g) Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

- **Refund payment to non-residents**

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

XII. ALLOTMENT ADVICE OR DEMAT CREDIT OF SECURITIES

The demat credit of securities to the respective beneficiary accounts will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

- **Receipt of the Rights Equity Shares in Dematerialized Form**

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THE ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO CLEAR WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE, OR (C) DEMAT SUSPENSE ACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES FORM/ WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/REVERSED/FAILED.

Investors shall be Allotted the Rights Equity Shares in dematerialized (electronic) form. Our Company has signed two agreements with the respective Depositories and the Registrar to the Issue, which enables the Investors to hold and trade in the securities issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates: tripartite agreements amongst our Company, NSDL and CDSL, and the Registrar to the Issue, each dated [●]

INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALIZED FORM.

The procedure for availing the facility for Allotment of Rights Equity Shares in the Issue in the dematerialised form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our

Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.

2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with Investor Education and Protection Fund (IEPF) authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, through physical dispatch.
7. Renounees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in the Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.
8. Dividend or other benefits with respect to the Equity Shares held in dematerialized form would be paid to those Equity Shareholders whose names appear in the list of beneficial owners given by the Depository Participant to our Company as on the date of the book closure.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who:

- (i) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (ii) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (iii) otherwise induces directly or indirectly a company to allot, or register any transfer of; securities to him, or to any other person in a fictitious name,*

shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹ 10 lacs 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 ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. Where such fraud (i) involves an amount which is less than ₹ 10 lacs or 1% of the turnover of the Company, whichever is lower, and (ii) does not involve public interest, then such fraud is punishable with imprisonment for a term extending up to five years or fine of an amount extending up to ₹ 50 lacs or with both.

Utilization of Issue Proceeds

Our Board of Directors declares that:

- (a) All monies received out of the Issue shall be transferred to a separate bank account;

- (b) Details of all monies utilized out of the Issue shall be disclosed, and shall continue to be disclosed until the time any part of the Issue 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;
- (c) Details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested;
and
- (d) Our Company may utilize the funds collected in the Issue only after final listing and trading approvals for the Rights Equity Shares Allotted in the Issue is received.

Undertakings by our Company

Our Company undertakes the following:

- (i) The complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily.
- (ii) All steps for completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Rights Equity Shares are to be listed will be taken within the time prescribed by the SEBI.
- (iii) The funds required for making refunds to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company.
- (iv) Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund.
- (v) No further issue of securities affecting our Company's Equity Share capital shall be made until the Rights Equity Shares are listed or until the Application Money is refunded on account of non-listing, under subscription etc.
- (vi) In case of unblocking of the application amount for unsuccessful Applicants or part of the application amount in case of proportionate Allotment, a suitable communication shall be sent to the Applicants.
- (vii) Adequate arrangements shall be made to collect all ASBA Applications and to consider them similar to non- ASBA Applications while finalizing the Basis of Allotment.
- (viii) At any given time, there shall be only one denomination for the Rights Equity Shares of our Company.
- (ix) Our Company shall comply with all disclosure and accounting norms specified by the SEBI from time to time.
- (x) Our Company accepts full responsibility for the accuracy of information given in this Draft Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in this Draft Letter of Offer misleading and further confirms that it has made all reasonable enquiries to ascertain such facts.

Minimum Subscription

“If our Company does not receive the minimum subscription of 90% of the Issue Size, our Company shall refund the entire subscription amount received within 4 days from the Issue Closing Date. In the event that there is a delay in making refund of the subscription amount by more than four days after our Company becomes liable to pay subscription amount or such other period as prescribed by applicable laws, our Company shall pay interest for the delayed period at rate prescribed under applicable laws.

Filing

SEBI *vide* the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Draft Letter of Offer with SEBI for Rights Issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees Ten Crores to Rupees Fifty Crores. Since the size of this Issue falls below this

threshold, this Draft Letter of Offer has been filed with BSE Limited and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination purposes and shall be filed with the Stock Exchange.

Withdrawal of the Issue

Subject to the provisions of the SEBI ICDR Regulations, the Companies Act and other applicable laws, our Company reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any time after the Issue Opening Date, a public notice within two (2) Working Days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisement has appeared and the Stock Exchange will also be informed promptly.

The Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction. Our Company shall also inform the same to the Stock Exchange.

If our Company withdraws the Issue at any stage including after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh offer document with the Stock Exchange where the Equity Shares may be proposed to be listed.

Important

Please read this Draft Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of the Draft Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected. It is to be specifically noted that this Issue of Rights Equity Shares is subject to the risk factors mentioned in “Risk Factors” on page 20.

All enquiries in connection with this Draft Letter of Offer or Application Form and the Rights Entitlement Letter must be addressed (quoting the Registered Folio Number or the DP and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed “Bella Casa Fashion & Retail Limited– Rights Issue” on the envelope to the Registrar at the following address:

M/s. KFin Technologies Limited
Selenium Building, Tower-B, Plot No. 31 & 32, Financial
District, Nanakramguda, Serilingampally, Hyderabad,
Rangareddi, Telangana, India - 500 032

Telephone: +91 40 6716 2222/18003094001

Fax. No.: +91 40 6716 1563

Email: bellacasa.rights@kfintech.com

Investor grievance email: einward.ris@kfintech.com

Website: <https://www.kfintech.com/>

Contact Person: Mr. Murali Krishna

SEBI Registration No.: INR000000221

The Issue will remain open for a minimum period of 7 (seven) days. However, our Board will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Closing Date).

The Investors can visit following links for the below-mentioned purposes:

- a) Updation of Indian address/ e-mail address/ phone or mobile number in the records maintained by the Registrar or our Company: Registrar website: www.kfintech.com; Email: einward.ris@kfintech.com
- b) Submission of self-attested PAN, client master sheet and demat account details by non- resident Eligible Equity Shareholders: Registrar website: www.kfintech.com; Email: einward.ris@kfintech.com

The above information is given for the benefit of the Applicants/ Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. Investors 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.

SECTION VIII: STATUTORY AND OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the documents for inspection referred to hereunder, would be available for inspection at the registered office of our Company between 11:00 a.m. to 5:00 p.m. on any working day from the date of this Draft Letter of Offer until the Issue Closing Date.

A. Material contracts for inspection

1. Registrar Agreement dated [●] between our Company and Registrar to the Issue;
2. Bankers to the Issue Agreement dated [●] amongst our Company, the Registrar to the Issue and the Bankers to the Issue.

B. Material documents for inspection

- (a) Certified copies of the updated Memorandum of Association and Articles of Association of our Company as amended from time to time;
- (b) Certificate of incorporation dated February 5, 1996 issued by the ROC;
- (c) Fresh certificate of incorporation dated July 15, 2015, issued by ROC consequent to change of name of our Company;
- (d) Fresh certificate of incorporation dated July 31, 2015, issued by ROC at the time of conversion from a private company into a public company;
- (e) Resolution of our Board of Directors dated August 16, 2024, in relation to the Issue and other related matters;
- (f) Consents of the Directors, Company Secretary and Compliance Officer, Statutory Auditors, and Registrar to the Issue to include their names in this Draft Letter of Offer to act in their respective capacities.
- (g) Annual report of our Company for the financial year ended March 31, 2024 and the limited review report of the Unaudited Financial Results for the quarter ended June 30, 2024.
- (h) Tripartite Agreement dated September 04, 2015 between our Company, NSDL and the Registrar to the Issue.
- (i) Tripartite Agreement dated August 20, 2015 between our Company, CDSL and the Registrar to the Issue.
- (j) In principle approval dated [•] issued by BSE.

Any of the contracts or documents mentioned in this Draft Letter of Offer 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 with applicable law.

Declaration

We hereby certify that no statement made in this Draft Letter of Offer contravenes any of the provisions of the Companies Act, 2013 and the rules made thereunder. We certify that all the legal requirements connected with the issue as also the guidelines, instructions, etc., issued by SEBI, Government and any other competent authority in this behalf, have been duly complied with.

We further certify that all the disclosures made in this Draft Letter of Offer are true and correct.

Signed by all the Directors of our Company

Name and Designation	Signature
Mr. Harish Kumar Gupta Chairman and Whole-Time Director DIN: 01323944	Sd/-
Mr. Pawan Kumar Gupta Managing Director DIN: 01543446	Sd/-
Mr. Gaurav Gupta Whole-Time Director DIN: 07106587	Sd/-
Ms. Saurav Gupta Whole-Time Director DIN: 07106619	Sd/-
Mr. Sharad Mangal Independent director DIN: 01127317	Sd/-
Mr. Gunjan Jain Independent Director DIN: 07223400	Sd/-
Mrs. Kalpana Juneja Independent Director DIN: 07226135	Sd/-
Mr. Vikas Mathur Independent Director DIN: 07252879	Sd/-

Signed by the Company Secretary & Compliance Officer	Signed by Chief Financial Officer
<hr/> Ms. Sonika Gupta	<hr/> Mr. Naresh Manwani

Dated: August 16, 2024

Place: Jaipur