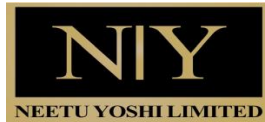






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**NEETU YOSHI LIMITED**

Corporate Identity Number: U35999UR2020PLC010670

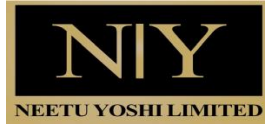
<b>REGISTERED OFFICE</b> 2/155, Jakhan, Rajpur Road, Dehradun, Dehradun, Uttarakhand-248001, India,		<b>CONTACT PERSON</b> Pranjul Gupta, <i>Company Secretary and Compliance Officer</i>		<b>EMAIL AND TELEPHONE</b> E-mail:cs@neetuyoshi.com Telephone: 9258199664		<b>WEBSITE</b> <a href="http://www.neetuyoshi.com">www.neetuyoshi.com</a>	
<b>OUR PROMOTERS: HIMANSHU LOHIA, SUBODH LOHIA, SAUNDARYA LOHIA</b>							
<b>DETAILS OF THE PUBLIC ISSUE</b>							
<b>TYPE</b>	<b>FRESH ISSUE SIZE</b>	<b>OFFER FOR SALE SIZE</b>	<b>TOTAL ISSUE SIZE</b>	<b>ELIGIBILITY</b>			
Fresh Issue	Up to 1,10,00,000 Equity Shares aggregating up to ₹[●] lakhs	Nil	Up to ₹[●] lakhs	The Issue is being made pursuant to Regulation 229(2) and 253(1) of SEBI ICDR Regulation. As the Company's post issue face value capital is more than ₹10.00 crore and upto ₹25.00 crore. For further details, see " <i>Other Regulatory and Statutory Disclosures - Eligibility for the Issue</i> " on page 295. For details of share reservation among Qualified Institutional Bidders (" <b>QIBs</b> "), Non-Institutional Bidders (" <b>NIBs</b> ") and Retail Institutional Bidders (" <b>RIBs</b> "), see the section titled " <i>Issue Structure</i> " on page 316.			
<b>RISKS IN RELATION TO THE FIRST ISSUE</b>							
This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹5 each and the Issue Price is [●] times of the face value of the Equity Shares. The Floor Price, Cap Price and Issue Price determined and justified by our Company in consultation with the Book Running Lead Manager, in accordance with the SEBI ICDR Regulations and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated in " <i>Basis for Issue Price</i> " on [●] should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.							
<b>GENERAL RISKS</b>							
Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India (" <b>SEBI</b> "), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled " <i>Risk Factors</i> " on page 29.							
<b>ISSUER'S ABSOLUTE RESPONSIBILITY</b>							
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.							
<b>LISTING</b>							
The Equity Shares offered through this Draft Red Herring Prospectus are proposed to be listed on the BSE SME (" <b>BSE</b> "). Our Company has received an 'in-principle' approval letter dated [●] from BSE for using its name in this Offer Document for listing our shares on the BSE SME. For the purpose of this Issue, the Designated Stock Exchange will be BSE. A signed copy of the Red Herring Prospectus shall be delivered for filing with the RoC in accordance with Section 26(4) of the Companies Act.							
<b>BOOK RUNNING LEAD MANAGER</b>							
<b>Name of Book Running Lead Manager and Logo</b> Horizon Management Private Limited 		<b>Contact Person</b> Mr. Manav Goenka		<b>Telephone and Email</b> Email: smeipo@horizon.net.co Tel No.: +91 334 600 0607			
<b>REGISTRAR TO THE ISSUE</b>							
<b>Name of Registrar</b> Skyline Financial Services Private Limited 		<b>Contact Person</b> Anuj Rana		<b>Telephone and Email</b> Telephone: +91 11 40450193-97 Email: ipo@skylinerta.com			
<b>ISSUE PROGRAMME</b>							
<b>ANCHOR INVESTOR BID/ISSUE PERIOD</b>	[●]*	<b>BID/ISSUE OPENS ON:</b>	[●]**	<b>BID/ISSUE CLOSES ON:</b>	[●]#		

\*Subject to finalization of Basis of Allotment

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

\*\*Our Company may, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs 1 (one) Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.

#The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Issue Closing Day.



## NEETU YOSHI LIMITED

Our Company was originally incorporated as 'Neetu Yoshi Private Limited', a private limited company under Companies Act, 2013, pursuant to a certificate of incorporation dated January 20, 2020 issued by Registrar of Companies, Uttarakhand. Thereafter, our Company was converted into a public limited company pursuant to a resolution passed by our Board at its meeting held on March 04, 2024/shareholders at an Extra-ordinary General Meeting held on March 09, 2024 and a fresh certificate of incorporation dated May 18, 2024 was issued by the Registrar of Companies, consequent upon conversion, the name of our Company was changed from 'Neetu Yoshi Private Limited' to 'Neetu Yoshi Limited'. For details of change in the name and registered office of our Company, see "*History and Certain Corporate Matters*" on page 156.

**Registered Office:** 2/155, Jakhan, Rajpur Road, Dehradun, Uttarakhand - 248001

**Contact Person:** Pranjud Gupta, Company Secretary and Compliance Officer; Tel: 9258199664

**E-mail:** investors@neetuyoshi.com **Website:** www.neetuyoshi.com

**Corporate Identity Number:** U35999UR2020PLC010670

### OUR PROMOTERS: HIMANSHU LOHIA, SUBODH LOHIA, SAUNDARYA LOHIA

INITIAL PUBLIC OFFER OF UP TO 1,10,00,000\* EQUITY SHARES OF FACE VALUE ₹5 EACH (THE "EQUITY SHARES") OF NEETU YOSHI LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (INCLUDING SECURITIES PREMIUM OF ₹[●] PER EQUITY SHARE) ("ISSUE PRICE"), AGGREGATING UP TO ₹[●] LAKHS (THE "ISSUE") OF WHICH [●] EQUITY SHARES AGGREGATING TO ₹[●] LAKHS (CONSTITUTING UP TO [●]% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY) WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER AND WILL BE ADVERTISED IN [●] EDITION OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), [●] EDITION OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER, AND, HINDI BEING THE REGIONAL LANGUAGE OF UTTARAKHAND WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO THE BSE LIMITED ("BSE") FOR THE PURPOSES OF UPLOADING ON THEIR WEBSITE IN ACCORDANCE WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE "SEBI ICDR REGULATIONS").

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

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs"), the "QIB Portion", provided that our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. (the "Net QIB Portion"). Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders ("Non-Institutional Portion") and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders ("Retail Portion") in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" on page 320. A copy of the Prospectus will be filed with the Registrar of Companies as required under Section 26 of the Companies Act, 2013.

### RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares by our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹5 each. The Floor Price, Cap Price and Issue Price as determined by our Company in consultation with the Book Running Lead Manager, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated in the "Basis for Issue Price" on page 109 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISK

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares 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 Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" on page 29.

### ISSUER'S ABSOLUTE RESPONSIBILITY

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

### LISTING

The Equity Shares issued through this Draft Red Herring Prospectus are proposed to be listed on the BSE SME ("BSE"). Our Company has received an 'in-principle' approval letter dated [●] from BSE for using its name in this offer document for listing our shares on the BSE SME. For the purposes of the Issue, the Designated Stock Exchange shall be BSE. A copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents that will be available for inspection from the date of the Red Herring Prospectus until the Bid/ Issue Closing Date, see "Material Contracts and Documents for Inspection" on page 369.

### BOOK RUNNING LEAD MANAGER



### Horizon Management Private Limited

19 R N Mukherjee Road, Main Building,  
2nd Floor, Kolkata- 700 001, West Bengal, India.

Telephone: +91 334 600 0607

Facsimile: +91 334 600 0607

Email ID: smeipo@horizon.net.co

Website: www.horizonmanagement.in

Investor Grievance ID: investor.relations@horizon.net.co

Contact Person: Manav Goenka

### REGISTRAR TO THE ISSUE



### Skyline Financial Services Private Limited

D-153 A, 1st Floor Okhla Industrial Area, Phase-I

New Delhi - 110 020, India

Telephone: +91 11 40450193-97

E-mail: ipo@skylinerta.com

Investor grievance email: grievances@skylinerta.com

Website: www.skylinerta.com

Contact Person: Anuj Rana

SEBI Registration No: INR000003241

### ISSUE PROGRAMME

#### ANCHOR INVESTOR BID/ ISSUE PERIOD

ISSUE OPENS ON [●]\*

ISSUE CLOSES ON [●]\*\*

[●]\*

[●]

[●]\*\*

\*Subject to finalization of Basis of Allotment

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

\*\*Our Company may, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs 1 (one) Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.

#The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Issue Closing Day.

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Draft Red Herring Prospectus 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, regulations, rules, guidelines or policies shall be to such legislation, act, regulations, 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 Red Herring Prospectus, but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under SEBI ICDR Regulations 2018, the Companies Act 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Further, Issue related terms used but not defined in this Draft Red Herring Prospectus shall have the meaning ascribed to such terms under the General Information Document.*

*Notwithstanding the foregoing, the terms not defined but used in the chapters titled "**Industry Overview**", "**Key Regulations and Policies in India**", "**Statement of Special Tax Benefits**", "**Basis for the Issue Price**", "**Restated Financial Statement**", "**Outstanding Litigations and Material Developments**", and "**Main Provision of Articles of Association**" on pages 121, 149, 116, 109, 179, 287 and 357 respectively, shall have the meanings ascribed to such terms in the respective sections.*

#### General Terms

Term	Description
“NY”, “Our Company”, “the Company”, “the Issuer”, “Neetu Yoshi” and “Neetu Yoshi Limited” or	Neetu Yoshi Limited, a public limited company incorporated in India under the Companies Act, 2013 having its Registered Office at, 2/155, Jakhan, Rajpur Road, Dehradun, Dehradun, Uttarakhand, India-248001
“we”, “us” and “our”	Unless the context otherwise indicates or implies, refers to our Company together with our Subsidiaries, on a consolidated basis as on the date of this Draft Red Herring Prospectus.
“you”, “your” or “yours”	Prospective investors in this Issue

#### Company Related Terms

Term	Description
AoA / Articles of Association / Articles	The articles of association of our Company, as amended from time to time.
Audit Committee	The audit committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, as described in " <b>Our Management</b> " on page 160
Auditor / Statutory Auditor / Peer Review Auditor	The statutory auditors of our Company, being M/s Bagaria & Co. LLP.
Board / Board of Directors	Unless otherwise specified the board of directors of our Company as duly constituted from time to time, including any committees thereof, as described in " <b>Our Management</b> ", on page 160.
Bankers to our Company	Small Industries Development Bank of India and Central Bank of India.
Corporate Identification Number/ CIN	U35999UR2020PLC010670
CSR Committee/ Corporate Social Responsibility Committee	The corporate social responsibility committee of our Board, constituted in accordance with the Section 135 and other applicable provisions of the Companies Act, 2013, and as described in " <b>Our Management</b> " on page 160.



Term	Description
Chief Financial Officer / CFO	Chief financial officer of our Company, Himanshu Lohia. For details, see " <b>Our Management</b> " on page 160.
Companies Act / Act	The Companies Act, 2013 and amendments thereto and erstwhile Companies Act 1956 as applicable.
Company Secretary and Compliance Officer	Company secretary and compliance officer of our Company, Pranjul Gupta. For details, see " <b>Our Management</b> " on page 160.
DIN	Directors Identification Number
Director(s)	The Director(s) on the Board of our Company as described in " <b>Our Management</b> " on page 160.
Equity Shares	The equity shares of our Company of face value of ₹5 each.
Equity Shareholders	The holders of Equity Shares of our Company from time to time.
Executive Director(s)	Executive directors on our Board of our Company.
Group Companies	In terms of SEBI ICDR Regulations, the term 'group companies' includes companies (other than our Subsidiaries) with which there were related party transactions in accordance with Ind AS 24 as disclosed in the Restated Financial Statements as covered under the applicable Indian accounting standards and such other companies as considered material by our Board in accordance with the Materiality Policy, and as identified in " <b>Our Group Companies</b> " on page 176.
Ind AS	The Indian Accounting Standards notified under Section 133 of the Companies Act 2013, Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Companies Act 2013
Independent Director(s)	Independent directors on the Board, who are eligible to be appointed as an independent director under the provisions of the Companies Act and the SEBI Listing Regulations. For details of the Independent Directors, please refer to the chapter titled " <b>Our Management</b> " on page 160.
ISIN	International Securities Identification Number, being INE0UZO01024
Key Managerial Personnel / KMP	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 and as disclosed in " <b>Our Management</b> " on page 160.
Managing Director / MD	The Managing Director of our Company, being Himanshu Lohia.
Manufacturing Facility	Our manufacturing facility situated on land admeasuring approximately 7,173 Sq. Meters located at Khasara No. 255/256, Fakkarhedi, Bhagwanpur, Uttarakhand.
Materiality Policy	The policy adopted by our Board on July 30, 2024 for identification of material Group Companies, material outstanding litigation and material dues outstanding to creditors in respect of our Company, pursuant to the disclosure requirements under the SEBI ICDR Regulations.
MoA / Memorandum / Memorandum of Association	The memorandum of association of our Company, as amended
NDPL/ Neetus Delight	Our subsidiary, Neetus Delight Private Limited incorporated in India under the Companies Act, 2013 having its registered office at 2/155, Jakhan, Rajpur Road, Dehradun, Dehradun, Uttarakhand, India, 248001
Network Partners	Business Correspondent Agent, BCA's, BC Agents, Retailers, Distributors, Partners, Super Distributors, Merchant
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations as described in " <b>Our Management</b> " beginning on page 160.
Non-Executive Director(s)	The non-executive Director(s) of our Company
Promoters	The promoters of our Company, being Himanshu Lohia, Subodh Lohia and Saundarya Lohia as disclosed in " <b>Our Promoters and Promoter Group</b> " on page 172.

Term	Description
Promoter Group	The entities and persons constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, as disclosed in “ <i>Our Promoters and Promoter Group</i> ” on page 172.
Registered Office	The registered office of our Company situated at 2/155, Jakhan, Rajpur Road, Dehradun, Dehradun, Uttarakhand, India-248001
Registrar of Companies or RoC	The Registrar of Companies, Uttarakhand
Restated Consolidated Financial Information / Restated Consolidated Financial Statements / Restated Financial Information / Restated Financial Information	The Restated Financial Statements of our Company and in the period applicable its Subsidiaries included in this Draft Red Herring Prospectus comprises of the Restated Consolidated Balance Sheet as at financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 and the Restated Consolidated Statement of Profit & Loss and Restated Consolidated Cash Flow Statement for the financial years March 31, 2024, March 31, 2023 and March 31, 2022 along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in accordance with INDAS, and the requirements of Section 26 of the Companies Act, restated in accordance with the SEBI ICDR Regulations, and the Revised Guidance Note on Reports in Company Prospectus (Revised 2019) issued by ICAI, together with the schedules, notes and annexure thereto as amended from time to time. For details, see “ <i>Financial Information</i> ” on page 179.
Stakeholders’ Relationship Committee	The stakeholders’ relationship committee of our Board, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations, as described in “ <i>Our Management</i> ” on page 160.
Stock Exchange	Unless the context requires otherwise, refers to, the BSE SME
Whole-time Director(s)	Director(s) in the whole-time employment of our Company

#### Issue Related Terms

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by SEBI in this behalf
Acknowledgement Slip	The acknowledgement slips or document issued by the Designated Intermediary to an Applicant as proof of having accepted the Application Form
Allot / Allotment / Allotted /Allotment of Equity Shares	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants
Allotment Advice	Note or advice or intimation of Allotment sent to each successful applicant who have been or are to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Allottee(s)	A successful Applicant to whom the Equity Shares are being allotted
Applicant / Investor	Any prospective investor who makes an application for Equity Shares of our Company in terms of the Prospectus and the Application Form.
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of the Prospectus
Application Supported by Blocked Amount/ ASBA	An application, whether physical or electronic, used by applicants to make an application and authorize an SCSB to block the application Amount in the ASBA Account maintained with such SCSB.
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by applicant for blocking the application Amount mentioned in the ASBA Form
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Form	An application form, whether physical or electronic, used by ASBA Applicant which will be considered as the application for Allotment in terms of the Draft

Term	Description
	Red Herring Prospectus.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and this Draft Red Herring Prospectus and who has Bid for an amount of at least ₹ 200 lakhs
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Draft Red Herring Prospectus and the Prospectus, which will be decided by our Company in consultation with the Book Running Lead Manager during the Anchor Investor Bid/ Issue Period
Anchor Investor Application Form	The application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Draft Red Herring Prospectus and Prospectus
Anchor Investor Bid/ Issue Period	One Working Day prior to the Bid/ Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to the Anchor Investors shall be completed
Anchor Investor Issue Price	The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Issue Price but not higher than the Cap Price. The Anchor Investor Issue Price will be decided by our Company, in consultation with the Book Running Lead Manager
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the Book Running Lead Manager, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations
Banker to the Issue / Refund Banker / Public Issue Bank	Collectively, Escrow Collection Bank, Public Issue Bank, Sponsor Bank and Refund Bank, as the case may be. In this case, being, [●].
Bankers to the Issue Agreement	Banker to the Issue Agreement entered on [●] amongst our Company, Book Running Lead Manager, the Registrar to the Issue and Banker to the Issue / Sponsor Bank for collection of the Application Amount on the terms and conditions thereof.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue, described in the chapter titled “ <i>Issue Procedure</i> ” on page 320.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder and in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIBs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case maybe, upon submission of the Bid in the Issue, as applicable.
Bid Lot	The Market lot and Trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful applicants.
Business Day	Any day on which commercial banks are open for the business.
Bidding Centers	The centers at which the Designated Intermediaries shall accept the ASBA Forms to a Registered Broker, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Bidder/ Investor	Any prospective investor who makes a bid for Equity Shares in terms of the Red Herring Prospectus and the Bid-Cum-Application Form and unless otherwise stated or implied, which includes an ASBA Bidder and an Anchor

<b>Term</b>	<b>Description</b>
	Investor
Bid Amount	The amount at which the bidder makes a bid for the Equity Shares of our Company in terms of Draft Red Herring Prospectus
Bid cum Application Form / Application Form	The form in terms of which the bidder shall make a bid, including ASBA Form, and which shall be considered as the bid for the Allotment pursuant to the terms of this Draft Red Herring Prospectus
Book Building Process	Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue is being made
Book Running Lead Manager/ BRLM	The book running lead manager to the Issue namely Horizon Management Private Limited
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers eligible to accept ASBA Forms, including details such as postal address, telephone number and e-mail address are available on the respective websites of the Stock Exchange at <a href="http://www.bseindia.com">www.bseindia.com</a> as updated from time to time
BSE SME	The SME Platform of BSE for Listing of Equity Shares offered under Chapter IX of SEBI (ICDR) Regulations.
CAN / Confirmation of Allocation Note	A note or advice or intimation sent to Investors, who have been allotted the Equity Shares, after approval of Basis of Allotment by the Designated Stock Exchange.
Cap Price	The higher end of the Price Band, subject to any revisions thereto, above which the Issue Price will not be finalized and above which no Bids will be accepted
Horizon Management Client ID	Horizon Management Private Limited Client Identification Number of the Beneficiary Account.
Collecting Depository Participant / CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Application Forms at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Collecting Registrar and Share Transfer Agent / CRTAs	Registrar to an Issue and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches/ Controlling Branches of the SCSBs	Such branches of SCSBs which coordinate Applications under the Issue with the BRLM, the Registrar and the Stock Exchange, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicant such as their address, PAN, occupation, bank account details and UPI ID (as applicable).
Depositories	National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL) or any other Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time.
Depository Participant/ DP Designated CDP Locations	A depository participant registered with SEBI under the Depositories Act. Such locations of the CDPs where Applicants can submit the ASBA Forms and in case of RIIs only ASBA Forms with UPI. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid-Cum-Application Forms are available on the website of the Stock Exchange.
Designated Date	The date on which amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Draft Red Herring Prospectus, following which the Board may Allot Equity Shares to successful Bidders in

Term	Description
	the Issue.
Designated Intermediaries	The members of the Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are categorized to collect Application Forms from the Applicant, in relation to the Issue.
Designated Market Maker	[●] will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.
Designated RTA Locations	Such locations of the RTAs where applicant can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the Stock Exchange.
Designated SCSB Branches	Such Branches of the SCSBs which shall collect the ASBA Forms used by the applicant, a list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> .
Designated Stock Exchange	BSE Limited
Draft Red Herring Prospectus	This Draft Red Herring Prospectus issued in accordance with the SEBI ICDR Regulations.
Electronic Transfer of Funds	Refunds through NACH, NEFT, Direct Credit or RTGS as applicable.
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the ASBA Form and the Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares and who have opened dematerialized accounts with SEBI registered qualified depository participants.
Eligible QFIs	Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation to participate in the Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to Equity Shares issued thereby, and who have opened dematerialized accounts with SEBI registered qualified depository participants, and are deemed as FPIs under SEBI FPI Regulations.
Escrow Account(s)	Account opened with the Escrow Collection Bank(s) and in whose favour the Investors will transfer money through direct credit/NEFT/RTGS/ NACH in respect of the Applicant Amount.
FII/ Foreign Institutional Investors	Foreign Institutional Investor as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First Applicant	Applicant whose name appears first in the Application Form in case of a joint application form and whose name shall also appear as the first holder of the beneficiary account held in joint names or in any revisions thereof
Floor Price	The lower end of the Price Band being [●], subject to any revision(s) thereto, not being less than the face value of Equity Shares and the Anchor Investor Issue Price, at or above which the Issue Price will be finalized and below which no Bids will be accepted
Foreign Portfolio Investor / FPIs	Foreign Portfolio Investor as defined under SEBI FPI Regulations
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
General Information Document/ GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020, notified by SEBI, suitably modified and included in the chapter titled “ <i>Issue Procedure</i> ” beginning on page 320.

<b>Term</b>	<b>Description</b>
Issue / Issue Size / Public Issue / IPO	Initial Public Issue of up to 1,10,00,000 Equity Shares of face value of ₹5.00 each of our Company for cash at a price of ₹[●] per Equity Share (including a securities premium of ₹[●] per Equity Share) aggregating to ₹[●] Lakhs. <i>^Subject to finalization of Basis of Allotment</i>
Issue Agreement	The agreement dated September 17, 2024 between our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	<p>Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be published in [●] editions of [●], an English national daily newspaper, [●] editions of [●], a Hindi national daily newspaper Hindi being the regional language of Uttarakhand, where our Registered Office is located, each with wide circulation.</p> <p>In case of any revisions, the extended Bid/ Issue Closing Date will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the website of the Book Running Lead Manager and at the terminals of the other members of the Syndicate and by intimation to the Designated Intermediaries and the Sponsor Bank, as required under the SEBI ICDR Regulations.</p> <p>Our Company in consultation with the Book Running Lead Manager may, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/Issue Closing Date shall also be notified on the website of the Book Running Lead Manager and at the terminals of the Syndicate Members and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in the same newspapers in which the Bid/Issue Opening Date was published, as required under the SEBI ICDR Regulations</p>
Issue Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids for the Issue, being [●], which shall be published in [●] editions of [●], an English national daily newspaper, [●] editions of [●], a Hindi national daily newspaper Hindi being the regional language of Uttarakhand, where our Registered Office is situated, each with wide circulation
Issue Price	<p>₹[●] per Equity Share, being the final price within the Price Band, at which Equity Shares will be Allotted to ASBA Bidders in terms of the Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price in terms of the Red Herring Prospectus.</p> <p>The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date, in accordance with the Book Building Process and in terms of the Red Herring Prospectus.</p>
Issue Proceeds	The proceeds from the Issue based on the total number of Equity Shares allotted under the issue.
Listing Agreement	The Listing Agreement to be signed between our Company and BSE SME
Mandate Request	Mandate Request means a request initiated on the RII by sponsor bank to authorize blocking of funds equivalent to the application amount and subsequent debit to funds in case of allotment.
Market Making Agreement	The Market Making Agreement dated [●] between our Company, the Book Running Lead Manager and Market Maker.
Market Maker	The market maker of our Company being [●]



<b>Term</b>	<b>Description</b>
Market Maker Reservation Portion	The reserved portion of [●] Equity Shares of face value of ₹5.00 each fully paid-up for cash at a price of ₹[●] per Equity Share aggregating to ₹[●] Lakhs for the Market Maker in this Issue.
MSME	Micro Small and Medium Enterprises
Mutual Fund(s)	Mutual fund(s) registered with SEBI pursuant to SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Net Issue	The Issue (excluding the Market Maker Reservation Portion of [●] Equity Shares of face value ₹5.00 each fully paid-up of our Company for cash at a price of ₹[●] per Equity Share aggregating up to ₹[●] Lakhs
Net Proceeds	The Issue Proceeds less the Issue related expenses. For further details, please refer to the chapter titled “ <i>Objects of the Issue</i> ” on page 80.
Non-Institutional Bidders / Non-Institutional Investor / NIB/ NII	All Applicants (including Eligible NRIs), who are not QIBs or Retail Individual Bidders and who have applied for Equity Shares for an amount of more than ₹ 2,00,000.
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, Eligible QFIs, FIIs registered with SEBI and FVCIs registered with SEBI.
NRIs / Non-Resident Indian	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs.
Overseas Corporate Body/ OCB	A Company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership firm, limited liability partnership firm, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context may require.
Public Issue Account	The account to be opened with the Banker to the Issue under section 40 of Companies Act, 2013 to received monies from the ASBA Accounts.
Public Issue Bank	The bank(s) which is a clearing member and registered with SEBI as a banker to an issue with which the Public Issue Account(s) is opened for collection of Application Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date, in this case being [●]
Price Band	Price Band of a minimum price (Floor Price) of ₹[●] and the maximum price (Cap Price) of ₹[●]. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least two working days prior to the Bid / Issue Opening Date.
Pricing Date	The date on which our Company, in consultation with the BRLM, will finalise the Issue Price.
QIBs/ Qualified Institutional Buyers	Qualified Institutional Buyers as defined under Regulation 2(1) (ss) of SEBI ICDR Regulations.
QIB Category/ QIB Portion	The portion of the Net Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue, consisting of [●] Equity Shares aggregating to ₹[●] lakhs which shall be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company in consultation with the BRLM), subject to valid Bids being received at or above the Issue Price or Anchor Investor Issue Price (for Anchor Investors).

<b>Term</b>	<b>Description</b>
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI.
Refund Account	Account to which Application monies are to be refunded to the Bidders.
Refund through electronic transfer of funds	Refunds through NECS, NEFT, direct credit, NACH or RTGS, as applicable.
Refund Bank / Refund Banker	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being [●].
Registered Brokers	Stock brokers registered with SEBI as trading members (except Syndicate/sub-Syndicate Members) who hold valid membership of [●] having right to trade in stocks listed on Stock Exchange and eligible to procure Application Forms in terms of SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012.
Registrar Agreement	The agreement dated August 26, 2024 entered between our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar pertaining to the Issue.
Registrar and Share Transfer Agents / RTAs	Registrar and Share Transfer Agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of Circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Registrar to the Issue/ Registrar	Registrar to the Issue being Skyline Financial Services Private Limited.
Resident Indian	A person resident in India, as defined under FEMA
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2 lakhs.
Revision Form	The form used by the Applicant, to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s).  QIB Applicant and Non-Institutional Applicant are not allowed to lower their Application Forms (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Bidders and Eligible Employees can revise their Application Forms during the Issue Period and withdraw their Application Forms until Issue Closing Date.
Retail Portion	The portion of the Issue being not less than 35% of the Net Issue consisting of [●] Equity Shares which shall be available for allocation to Retail Individual Bidders (subject to valid Bids being received at or above the Issue Price), which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion and remaining Equity Shares to be allotted on a proportionate basis
Red Herring Prospectus / RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be Issued and the size of the Issue, including any addenda or corrigenda thereto
SME	Small and medium sized enterprises
SME Exchange	SME Platform of BSE i.e. BSE SME
Self-Certified Bank(s) / SCSBs	A bank registered with SEBI under SEBI (Bankers to an Issue) Regulations, 1994 and offer services in relation to ASBA a list of which is available on website of SEBI <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>
Sponsor Bank	Sponsor Bank being [●] being a Banker to the Issue, appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order

Term	Description
	to push the mandate collect requests and / or payment instructions of the RIIs using the UPI Mechanism and carry out other responsibilities, in terms of the UPI Circulars.
Specified Locations	Collection centers where the SCSBs shall accept application form, a list of which is available on the website of SEBI ( <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ) and updated from time to time.
Stock Exchange	BSE SME
TRS / Transaction Registration Slip	The slip or document issued by the Designated Intermediary (only on demand), to the Applicant, as proof of registration of the Application Form.
Underwriter	[●]
Underwriting Agreement	The Agreement dated [●] among the Underwriter and our Company to be entered prior to filing of the Prospectus with RoC.
UPI	Unified payment Interface, which is an instant payment mechanism, developed by NPCI
UPI Bidders	Collectively, individual investors applying as (i) Retail Individual Bidders in the Retail Portion, and (ii) Non- Institutional Bidders with an application size of up to ₹5,00,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.  Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹5,00,000 shall use UPI and shall provide their UPI ID in the application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the websites of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circulars	SEBI circular no. CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular No. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI circular No SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/ dated March 16, 2021 and SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021, circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI master circular with circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2023/70 dated May 17, 2023 (to the extent that such circulars pertain to theUPI Mechanism), SEBI master circular with circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, along with the circular issued by the National Stock Exchange of India Limited having reference no. 25/2022 dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or the Stock Exchanges in this regard and any other circulars issued by SEBI or any other governmental authority in relation thereto from time to time.

<b>Term</b>	<b>Description</b>
UPI ID	ID Created on the UPI for single-window mobile payment system developed by NPCI
UPI PIN	Password to authenticate UPI transaction
UPI Mandate Request	A request (intimating the UPI Investors by way of a notification on the UPI application and by way of a SMS directing the UPI Investors to such UPI mobile application) to the UPI Investors initiated by the Sponsor Bank to authorize blocking of funds on the UPI application equivalent to application Amount and subsequent debit of funds in case of Allotment.  Pursuant to Circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022 issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹5,00,000 shall use UPI and shall provide their UPI ID in the Application Form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Mechanism	The bidding mechanism that may be used by UPI Investors in accordance with the UPI Circulars to make an ASBA Bid in the Issue
U.S Securities Act	U.S Securities Act of 1933, as amended
Wilful Defaulter	An entity or a person categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Days	Working Day shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in city as mentioned in this Draft Red Herring Prospectus are open for business and in case of the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, Working Day shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI.

#### **Industry Related Terms or Abbreviations**

<b>Term</b>	<b>Description</b>
Covid-19	Coronavirus Disease
FDI	Foreign Direct Investment
FPIs	foreign portfolio investors
GDP	Gross Domestic Product
GNPAs	Gross Non-Performing Assets
IMF	International Monetary Fund
LMT	lakh metric tonnes
MTPA	metric tonne per annum
MW	Mega Watt
Ni	Nickel
PBT	profit before tax
RDSO	Research Design and Standards Organisation
SCBs	Scheduled Commercial Banks
scrap MS	Scrap Mild Steel
SG	spheroidal graphite
SGCI	Spheroidal Graphite Cast Iron

## Conventional Terms / General Terms / Abbreviations

Term	Description
AGM	Annual General Meeting
Alternative Investment Funds / AIFs	Alternative Investment Fund(s) as defined in and registered with SEBI under the SEBI AIF Regulations
Arbitration Act	The Arbitration and Conciliation Act, 1996
AS or Accounting Standards	Accounting Standards as notified by Companies (Accounting Standards) Rules, 2016
CAGR	Compounded Annual Growth Rate
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I Foreign Portfolio Investors” under the SEBI FPI Regulations
Category II FPIs	FPIs who are registered as “Category II Foreign Portfolio Investors” under the SEBI FPI Regulations
CCI	Competition Commission of India
CIT	Commissioner of Income Tax
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Civil Code	The Code of Civil Procedure, 1908
Companies Act, 2013 or Companies Act	The Companies Act, 2013 read with the rules, regulations, clarifications and modifications thereunder
Companies Act, 1956	The erstwhile Companies Act, 1956 read with the rules, regulations, clarifications and modifications thereunder
Consolidated FDI Policy	The consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time
COPRA	The Consumer Protection Act, 1986
COVID-19	The novel coronavirus disease which was declared as a Public Health Emergency of International Concern on January 30, 2020, and a pandemic on March 11, 2020, by the World Health Organisation.
CSR	Corporate Social Responsibility
DDP	Delivered Duty Paid
Demat	Dematerialised
Depositories	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant’s identity number
DPIIT	Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, GoI
DP or Depository Participant	A depository participant as defined under the Depositories Act

<b>Term</b>	<b>Description</b>
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
EPF Act	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
ESI Act	The Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FDI	Foreign Direct Investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and the regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019 issued by the Ministry of Finance, GoI
FOB	Free On Board
Financial Year(s) or Fiscal or Fiscal Year or FY	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
EMI	Equated Monthly Investment
FPIs	Foreign Portfolio Investors as defined under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GDP	Gross Domestic Product
GoI	Central Government / Government of India
GST	Goods and Services Tax
HUF(s)	Hindu Undivided Family(ies)
ICAI	The Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IEC	Import Export Code
IFRS	International Financial Reporting Standards
Income Tax Act	Income Tax Act, 1961
Ind AS/ Indian Accounting Standards	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended
Ind AS Rules	The Companies (Indian Accounting Standards) Rules, 2015
Indian GAAP/ IGAAP	Accounting standards notified under Section 133 of the Companies Act, 2013 read with Companies (Accounting Standards) Rules 2006 and the Companies (Accounts) Rules, 2014 in so far as they apply to our Company, as amended
INR/ Indian Rupee/ ₹	Indian Rupee, the official currency of the Republic of India
India	Republic of India
IPR	Intellectual Property Rights
IPO	Initial public offering
IRDAI	Insurance Regulatory and Development Authority of India
IRDAI Investment Regulations	Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016
ISIN	International Securities Identification Number



<b>Term</b>	<b>Description</b>
IST	Indian Standard Time
IT	Information Technology
KYC	Know Your Customer
Listing Agreement	The agreement to be entered into between our Company and Stock Exchange in relation to listing of the Equity Shares on such Stock Exchange
MCA/ Ministry of Corporate Affairs	Ministry of Corporate Affairs, GoI
Mn/mn	Million
MSME	Micro, Small and Medium Enterprises
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not applicable
NAV	Net asset value
NACH	National Automated Clearing House
NBFC	Non-banking financial company
NEFT	National Electronic Funds Transfer
NOC	No Objection Certificate
NPCI	National Payments Corporation of India
NRE	Non-Resident External Accounts
NRO	Non-Resident Ordinary Accounts
NSDL	National Securities Depository Limited
MIM	Multi Investment Manager
P&L	Profit and loss account
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after tax
PFRDA	Pension Fund Regulatory and Development Authority
PIO	Person of India Origin
Q&A	Questions & answers
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoNW	Return on Net Worth
RoW	Rest of the World
RTGS	Real Time Gross Settlement
SBO Rules	Companies (Significant Beneficial Owners) Rules, 2018
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

<b>Term</b>	<b>Description</b>
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended
SEBI Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
SEBI Mutual Fund Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended
SEBI Portfolio Manager Regulations	Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993, as amended
SEBI Stock Broker Regulations	Securities and Exchange Board of India (Stock Brokers and Sub-brokers) Regulations, 1992
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended
Sq. ft. / sq. ft.	Square feet
Stamp Act	The Indian Stamp Act, 1899
State Government	The Government of a State of India
STT	Securities Transaction Tax
Supreme Court	The Supreme Court of India
TAN	Tax Deduction and Collection Account Number
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
TDS	Tax deducted at source
Trademarks Act	Trade Marks Act, 1999, as amended
UPI	Unified Payments Interface
USA / United States of America / US	The United States of America
U.S. Securities Act	The United States Securities Act of 1933, as amended
UK	United Kingdom
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with the SEBI under the SEBI VCF Regulations
Year/ calendar year	Unless context otherwise required, shall mean the twelve-month period ending December 31



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

### Certain Conventions

All references to “**India**” contained in this Draft Red Herring Prospectus are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GoI”, “Central Government” or the “State Government” are to the Government of India, Central or State, as applicable. All references in the Draft Red Herring Prospectus to the “U.S.”, “USA” or “**United States**” are to the United States of America.

Unless otherwise specified, any time mentioned in this Draft Red Herring Prospectus is in Indian Standard Time (“**IST**”).

Unless indicated otherwise, all references to a year in this Draft Red Herring Prospectus are to a calendar year.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

### Financial Data

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year; accordingly, all references to a particular financial year or fiscal, unless stated otherwise, are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Reference in this Draft Red Herring Prospectus to the terms Fiscal or Fiscal Year of Financial Year is to the 12 months ended on March 31 of such year, unless otherwise specified.

Unless the context otherwise requires or indicates, the financial information, financial ratios and any percentages amounts, as set forth in “*Risk Factor*”, “*Our Business*”, “*Objects of the Issue*”, “*Basis of Issue Price*” and “*Management’s Discussion and Analysis of the Financial Condition and Results of Operations*” beginning on page 29, 128, 80, 109 and 273, respectively, and elsewhere in this Draft Red Herring Prospectus is derived from our Restated Consolidated Financial Statements. The Restated Consolidated Financial Statements of our Company and in the period applicable its Subsidiaries included in this Draft Red Herring Prospectus comprises of the Restated Consolidated Balance Sheet as at period financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 and the Restated Consolidated Statement of Profit & Loss and Restated Consolidated Cash Flow Statement for the financial years ended March 31, 2024, March 31, 2023 and March 31, 2022 along with the summary statement of significant accounting policies read together with the annexures and notes thereto prepared in accordance with IndAS, and the requirements of Section 26 of the Companies Act, restated in accordance with the SEBI (ICDR) Regulations, and the Revised Guidance Note on Reports in Company Prospectus (Revised 2019) issued by ICAI, together with the schedules, notes and annexure thereto as amended from time to time.

For further details on our Company’s financial information see “*Restated Financial Information*” beginning on page 179.

The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, IndAS, the Companies Act and SEBI ICDR Regulations. Any reliance by persons not familiar with the aforementioned policies and laws on the financial disclosures presented in this Draft Red Herring Prospectus should be limited. There are significant differences between Indian GAAP, U.S.GAAP and IFRS. Our Company does not provide conciliation of its financial statements with IFRS or U.S.GAAP requirements. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sum of the amounts

listed are due to rounding off. All figures in decimals have been rounded off to the second decimal place including percentage figures have been rounded off to two decimal places including percentage figures in “*Risk Factors*”, “*Industry Overview*” and “*Our Business*” on pages 29, 121 and 128, respectively, and accordingly there may be consequential changes in this Draft Red Herring Prospectus.

### Currency and Units of Presentation

All references to “₹” or “Rupees” or “Rs” “INR” are to Indian National Rupee, the official currency of the Republic of India. All references to “US\$”, “U.S. Dollar”, “USD” or “\$” are to United States Dollars, the official currency of the United States of America.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in lakhs, except where specifically indicated. One lakh represents 1,00,000. One million represents 10,00,000 and one crore represents 1,00,00,000. However, where any figures that may have been sourced from third party industry sources are expressed in denominations other than lakhs in their respective sources, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in such respective sources.

In this Draft Red Herring Prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”.

### Industry and Market Data

Unless stated otherwise, industry and market data used throughout this Draft Red Herring Prospectus has been derived from publicly available information, government websites, etc. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although, we believe that the industry and market data used in this Draft Red Herring Prospectus is reliable, either we nor the Book Running Lead Manager nor any of their respective affiliates or advisors have prepared or verified it independently.

The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled “*Risk Factors*” beginning on page 29 of this Draft Red Herring Prospectus. Accordingly, investment decisions should not be based on such information.

In accordance with SEBI (ICDR) Regulations, 2018 the chapter titled “*Basis of Issue Price*” beginning on page 109 includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the Lead Manager, have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” beginning on page 29. Accordingly, investment decisions should not be based solely on such information.

### Exchange Rates

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

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

Currency <sup>(1)</sup>	Exchange rate as on March 31, 2024	Exchange rate as on March 31, 2023	Exchange rate as on March 31, 2022
1 USD	83.37	82.22	75.81

<b>Currency<sup>(1)</sup></b>	<b>Exchange rate as on March 31, 2024</b>	<b>Exchange rate as on March 31, 2023</b>	<b>Exchange rate as on March 31, 2022</b>
1 EUR	90.22	89.61	84.66

Source: [www.fbil.org.in](http://www.fbil.org.in)

(1) The reference rates are rounded off to two decimal places.

In case of a public holiday, the previous working day not being a public holiday has been considered



## FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “*aim*”, “*anticipate*”, “*are likely*”, “*believe*”, “*expect*”, “*estimate*”, “*intend*”, “*likely to*”, “*objective*”, “*plan*”, “*project*”, “*propose*”, “*will*”, “*seek to*”, “*will continue*”, “*will pursue*” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. 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. All statements in this Draft Red Herring Prospectus that are not statements of historical fact constitute ‘forward-looking statements’. All statements regarding our expected financial conditions and results of operations, business plans and objectives, strategies and goals and prospects are forward looking statements.

These forward-looking statements, whether made by us or a third party, are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements. 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, changes in the incidence of any natural calamities and/ or violence, 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:

- Under-utilisation of our manufacturing capacities could have an adverse effect on our business, future prospects and future financial performance.
- Our manufacturing activity is subject to availability of raw material and the costs of the raw materials. Any shortage in availability or fluctuations in raw material prices, may have a material adverse effect on our business, financial condition, results of operations and cash flows.
- Inability to comply with and changes in, safety, health, environmental and labour laws and other applicable regulations;
- Our indebtedness and the conditions and restrictions imposed on us by our financing agreements;
- Exposure to regulatory and other geography specific risks such as weather and natural occurrences as well as regulatory, economic, demographic and other changes in Rajasthan and other states where we undertake our business activities;

For further details regarding factors that could cause actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 29, 128 and 273, 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 Applicants that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, Applicants 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.

Forward-looking statements reflect current views as on the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Promoters, our Directors, the Lead Manager nor any of their respective affiliates have any obligation to update or

otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI ICDR Regulations, our Company and the Lead Manager will ensure that the Applicants in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges for the Equity shares pursuant to the Issue.

## SUMMARY OF THE OFFER DOCUMENT

The following is a general summary of the terms of the Issue and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus 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 Red Herring Prospectus, including “*Risk Factors*”, “*The Issue*”, “*Capital Structure*”, “*Objects of the Issue*”, “*Industry Overview*”, “*Our Business*”, “*Management’s Discussion and Statements*”, “*Restated Financial Statements*”, “*Outstanding Litigation and Material Developments*”, “*Issue Procedure*”, and “*Description of Equity Shares and Terms of the Articles of Association*” beginning on pages 29, 52, 71, 80, 121, 128, 273, 179, 287, 320 and 357, respectively.

### Summary of Business

We are a foundry with integrated CNC machine shop engaged in the business of manufacturing of customised products in different grades of ferrous metallurgical products. Our product portfolio covers different grades of mild steel, spheroidal graphite iron, cast iron and manganese steel, from as small as 0.2 Kgs to 500 Kgs finished metallurgical products. We are a RDSO certified vendor for manufacturing and supply of over 25 casting products for Indian Railways. We are also ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 accredited company which certifies our quality management, environmental management and occupational health & safety management system respectively, employed by us in our manufacturing facility. We combine modern manufacturing technology and engineering expertise with cost efficient processes, to deliver quality products at competitive prices. Our manufacturing operations are strengthened by our technical capabilities, infrastructure, and process knowledge.

### Summary of Industry

The rail transport market size has grown strongly in recent years, It will grow from \$546.13 billion in 2023 to \$582.61 billion in 2024 at a compound annual growth rate (CAGR) of 6.7%. The growth in the historic period can be attributed to strong economic growth in emerging markets, rise in e-commerce, change in taxation rules and rise in mining activity. The growth in the forecast period can be attributed to high-speed emissions and major trends in the forecast period.

The rail transport market size is expected to see growth in the next few years. It will grow to \$ 748.97 billion in 2028 at a compound annual growth (CAGR) of 6.5%. The growth in the forecast period can be attributed to high-speed trains, technological advances and emphasis on cutting carbon emission. Major trends in the forecast period include adopting head on generation (HOG) technology should to reduce their carbon footprints, increasing profitability of operations, and reduce operating costs and other fuel related expenses, harness digitalization to improve passengers experience and reduce costs, invest in connected mobility to enable drivers and their passengers to experience a much smoother trip and exploit obstacle detection assistance system to enhance passenger’s safety and to reduce accidents

### Names of our Promoters

As on the date of this Draft Red Herring Prospectus, Subodh Lohia, Himanshu Lohia and Saundarya Lohia are the Promoters of our Company. For further details, see “*Our Promoter and Promoter Group*” beginning on page 172.

### Issue Size

The Issue comprises fresh issue of upto 1,10,00,000 ^ Equity Shares aggregating upto ₹[●] lakhs and there is no offer for sale. For further details, see “*The Issue*”, “*Issue Structure*”, and “*Issue Procedure*” on page 52, 316 and 320.

<sup>^</sup>Subject to finalization of Basis of Allotment

The Net Proceeds are proposed to be utilized towards funding the following objects:

(₹ in Lakhs)

Sr. No.	Objects	Amount
1.	Set up of new Manufacturing Facility	5,074.72
2.	General corporate purposes <sup>(1)</sup>	[●]
<b>Total</b>		

<sup>(1)</sup> The amount to be utilised for General Corporate Purpose will not exceed 25% of the gross proceeds from the Issue.

For further details, see “*Objects of the Issue*” on page 80.

### Aggregate pre-Issue Shareholding of our Promoters and Promoter Group

The aggregate pre-Issue shareholding of our Promoter and Promoter Group as a percentage of the pre-Issue paid-up equity share capital of our Company is set out below:

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Pre-Issue Equity Share capital (%) *	Percentage of the Post-Issue Equity Share capital (%)
<b>Promoters</b>				
1.	Himanshu Lohia	1,32,38,400	46.38	[●]
2.	Subodh Lohia	1,32,38,400	46.38	[●]
3.	Saundarya Lohia	7,00,000	2.45	[●]
<b>Sub-total (A)</b>		<b>2,71,76,800</b>	<b>95.22</b>	<b>[●]</b>
<b>Promoter Group</b>				
1.	Neelam Gupta	700	Negligible	[●]
2.	Virendra Gupta	700	Negligible	[●]
3.	Shradha Agarwal	700	Negligible	[●]
<b>Sub-total (B)</b>		<b>2,100</b>	Negligible	<b>[●]</b>
<b>Total</b>		<b>2,71,78,900</b>	<b>95.23</b>	<b>[●]</b>

\*Rounded off to the closest decimal

### Summary of Restated Consolidated Financial Information

A summary of the financial information of our Company as derived from the Restated Financial Statements for the financial year March 31,2024, March 31,2023 and March 31,2022 as follows:

Sr. No.	Particulars	March 31,2024	March 31,2023	March 31,2022
1.	Share Capital	388.28	228.40	14.00
2.	Net Worth	1,974.30	557.46	269.43
3.	Revenue from Operation	4,733.42	1,623.07	458.85
4.	Profit after Tax	1,258.23	42.32	7.03
5.	Earnings Per Share	7.40	2.79	0.72
6.	Net Asset Value per share	7.29	3.49	27.49
7.	Total Borrowings	1,738.94	825.38	-

For further details, see “*Financial Information*” beginning on page 179.

### Qualifications of the Statutory Auditors

There are no qualifications by the Statutory Auditors which have not been given effect in the Restated Financial Statements. For further details, see “*Financial Information*” beginning on page 179.

### Summary of outstanding litigation

A summary of outstanding litigation proceedings as on the date of this Draft Red Herring Prospectus as disclosed

in the section titled “*Outstanding Litigations and Material Development*” in terms of the SEBI ICDR Regulations and the Materiality Policy is provided below:

(₹ in lakhs)

Nature of Cases	Number of outstanding cases	Amount Involved (in Rs. Lakhs)*
<b><i>Litigation involving our Company</i></b>		
Criminal proceedings against our Company	Nil.	Nil.
Criminal proceedings by our Company	Nil.	Nil.
Material civil litigation against our Company	Nil.	Nil.
Material civil litigation by our Company	Nil.	Nil.
Actions by statutory or regulatory Authorities	Nil.	Nil.
Direct and indirect tax proceedings	2	4.27
<b><i>Litigation involving our Directors (other than Promoters)</i></b>		
Criminal proceedings against our Directors (other than Promoters)	Nil.	Nil.
Criminal proceedings by our Directors (other than Promoters)	Nil.	Nil.
Material civil litigation against our Director (other than Promoters)	Nil.	Nil.
Material civil litigation by our Director (other than Promoters)	Nil.	Nil.
Actions by statutory or regulatory authorities (other than Promoters)	Nil.	Nil.
Direct and indirect tax proceedings	Nil.	Nil.
<b><i>Litigation involving our Promoter</i></b>		
Criminal proceedings against our Promoter	Nil.	Nil.
Criminal proceedings by our Promoter	Nil.	Nil.
Material civil litigation against our Promoter	Nil.	Nil.
Material civil litigation by our Promoter	Nil.	Nil.
Actions by statutory or regulatory authorities	Nil.	Nil.
Direct and indirect tax proceedings	1	0.06
<b><i>Litigation involving our Subsidiaries</i></b>		
Criminal proceedings against our Subsidiaries	Nil.	Nil.
Criminal proceedings by our Subsidiaries	Nil.	Nil.
Material civil litigation against our Subsidiaries	Nil.	Nil.
Material civil litigation by our Subsidiaries	Nil.	Nil.
Actions by statutory or regulatory authorities	Nil.	Nil.
Direct and indirect tax proceedings	Nil.	Nil.

For further details on the outstanding litigation proceedings, see “*Outstanding Litigation and Material Developments*” and “*Risk Factors*” beginning on page 29 and page 287 respectively.

#### **Risk factors**

For further details, see “*Risk Factors*” beginning on page 29.

#### **Summary of contingent liabilities**

There are no contingent liability of the Company as on the date of this Draft Red herring prospectus. For details, see “*Restated Financial Statements*” beginning on page 179.

#### **Summary of Related Party Transactions**

Following is the summary of the related party transactions entered by the Company (based on the Restated

Financial Statements) for the period March 31, 2024, March 31, 2023 and March 31, 2022 :-

**Related parties with whom transactions have taken place during the year and its relationship:**

Name of the related parties	Designation / Relationship
Himanshu Lohia	Director
Subodh Lohia	Director
Neetus Delight Private Limited	Subsidiary Company
Neetu Lohia Foundation	Director as Trustee
Saundarya Lohia	Directors' Relative

(₹ in lakhs)

Transactions during the year	Year 2023-24	Year 2022-23	Year 2021-22
<b>Remuneration</b>			
Himanshu Lohia	24.00	12.00	3.60
Subodh Lohia	24.00	12.00	3.60
<b>Share issued during the year</b>			
Himanshu Lohia	24.00	12.00	3.60
Subodh Lohia	24.00	12.00	3.60
<b>Loan Given</b>			
Neetu Lohia Foundation	3.60	0.05	0.62
<b>Loan Repayment Received</b>			
Neetu Lohia Foundation	3.60	0.67	-
<b>Loan Taken</b>			
Himanshu Lohia	169.49	284.96	210.54
Subodh Lohia	240.20	283.35	96.41
Saundarya Lohia	-	3.02	-
<b>Loan Repayment Paid</b>			
Himanshu Lohia	176.06	274.00	324.09
Subodh Lohia	272.93	249.02	179.55
Saundarya Lohia	-	3.02	-
<b>TOTAL</b>	<b>961.88</b>	<b>1,146.09</b>	<b>825.61</b>
<b>Outstanding balances as at the year end</b>			
<b>Unsecured Loans From</b>	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
Himanshu Lohia	4.40	10.96	-
Subodh Lohia	1.60	34.33	-
Saundarya Lohia	-	-	-



<b>Advance to related party</b>			
Subodh Lohia	-	-	0.90
Neetu Lohia Foundation	-	-	0.62

### Financing Arrangements

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

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

Name of the Promoters	Number of equity shares acquired in the one year preceding the date of this Draft Red Herring Prospectus	Weighted average price per Equity Share (₹)
Himanshu Lohia	1,09,54,400 <sup>*^</sup>	0.68
Subodh Lohia	1,09,54,400 <sup>*^</sup>	0.68
Saundarya Lohia	7,00,000 <sup>*#</sup>	1.43

<sup>\*</sup> Represents cost of Bonus Shares which are issued at nil consideration

<sup>^</sup> Transfer of shares by way of sale

<sup>#</sup> after split average share.

As certified by M/s Bagaria & Co LLP, Chartered Accountants vide certificate dated September 13, 2024

### Average Cost of Acquisition of Equity Shares by our Promoters

Name of the Promoters	Number of equity shares acquired in the one year preceding the date of this Draft Red Herring Prospectus	Average cost price per Equity Share (₹)
Himanshu Lohia	1,32,38,400	2.45
Subodh Lohia	1,32,38,400	2.45
Saundarya Lohia	7,00,000	1.43

As certified by M/s Bagaria & Co LLP, Chartered Accountants vide certificate dated September 13, 2024

### Weighted average cost of acquisition of all shares transacted<sup>^</sup> in (i) last one (1) year; (ii) last eighteen (18) months and (iii) last three (3) years preceding the date of this Draft Red Herring Prospectus

Period	Weighted average cost of acquisition (in ₹)	Cap Price is 'X' times the Weighted Average Cost of Acquisition <sup>**</sup>	Range of acquisition price: lowest price – highest price (in ₹)
Last one (1) year preceding the date of this Draft Red Herring Prospectus	5	[•]	[•]
Last eighteen (18) months preceding the date of this Draft Red Herring Prospectus	Nil	[•]	[•]
Last three (3) years preceding the date of this Draft Red Herring Prospectus	Nil	[•]	[•]

As certified by M/s Bagaria & Co LLP, Chartered Accountants vide certificate dated September 13, 2024

<sup>\*\*</sup>To be updated once the price band information is available

<sup>\*</sup> Average cost is calculated after share split

For further details, see “*Capital Structure*” beginning on page 71.

## Details of Pre-IPO Placement

Our Company is not proposing to undertake any pre-IPO placement.

## Issue of Equity Shares for consideration other than cash in the last one year or by way of bonus

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Reason for allotment	Benefits accrued to our Company
May 24, 2024	97,07,000	10		- Bonus Issue in the ratio of 25 Equity Shares for every 10 Equity Shares held <sup>(1)</sup>	Capitalization of reserves

(1) Allotment of 47,28,000 Equity Shares to Subodh Lohia, 17,28,000 Equity Shares to Himanshu Lohia, Allotment of 250 Equity Shares to Neelam Gupta, 2,50,000 Equity Shares to Saundarya Lohia, 250 Equity Shares to Virendra Kumar Gupta, 250 Equity Shares to Abhishek Agarwal and 250 Equity Shares to Abhishek Agarwal.

For further details pertaining to Issue of Equity Shares for consideration other than cash or by way of bonus, kindly refer to the chapter titled “**Capital Structure**” beginning on page 71.

## Split/ Consolidation of equity shares in the last one year

Except, as stated our Company has not undertaken any split or consolidation of Equity Shares in the last one year as on the date of this Draft Red Herring Prospectus.

Pursuant to shareholders’ resolution dated May 30, 2024, each Equity Share of our Company of face value of ₹10 each was split into 2 Equity Shares of face value of ₹5 each. Therefore, the issued, paid-up and subscribed share capital of our Company was sub-divided from ₹13,58,98,000 divided into 1,35,89,800 Equity Shares of ₹10 each into ₹13,58,98,000 divided into 2,71,79,600 Equity Shares of ₹5 each.

For further details pertaining to split of Equity Shares and other details, see “**Capital Structure**” on page 71.

## Exemption from complying with any provisions of securities laws, if any, granted by SEBI

Our Company has not taken any exemption from complying with any provisions of the Securities Law from SEBI as on the date of filing of this Draft Red Herring Prospectus.

## SECTION II –RISK FACTOR

*An investment in Equity Shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this Issue including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment which in some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this Section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or any other risks that are not currently known or are currently deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or any part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.*

*Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this Section is derived from our Restated Financial Statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this Section in conjunction with “**Our Business**” on page 128, “**Industry Overview**” on page 121 and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on page 273 as well as other financial information contained herein. For capitalized terms used but not defined herein, see “**Definitions and Abbreviation**” on page 2.*

### **Materiality:**

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

- *Some risks may not be material individually but may be material when considered collectively;*
- *Some risks may have an impact which is qualitative though not quantitative;*
- *Some risks may not be material at present but may have a material impact in the future.*

*Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in certain respects from that of other countries. This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For further details, see “**Forward-Looking Statements**” on page 21.*

*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. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.*

*In this Draft Red Herring Prospectus, any discrepancies in any table between total and sums of the amount listed are due to rounding off.*

*Unless the context otherwise requires, in this section, references to “we”, “us” and “our” or “our Company” refers to Neetu Yoshi Limited.*

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

## INTERNAL RISK FACTORS

1. ***Our Manufacturing Facility is located in Uttarakhand. Any disruption, breakdown or shutdown of our Manufacturing Facility may have a material adverse effect on our business, financial condition, results of operations and cash flow.***

As on the date of this Draft Red Herring Prospectus, we operate through our manufacturing facility situated on land admeasuring approximately 7,173 Sq. Meters, located at Khasara No. 255/256, Fakkarhedi, Bhagwanpur, Uttarakhand. We are dependent on our Manufacturing Facility for the production of our products. Our Manufacturing Facility is located in the state of Uttarakhand and events impacting state of Uttarakhand, may disrupt our production and operations. Further, our Manufacturing Facility is subject to operating risks, such as the breakdown or failure of equipment, disruption in power supply or processes, severe weather conditions, performance below expected levels of efficiency, obsolescence, labour disputes, natural disasters, industrial accidents, infectious diseases (such as COVID-19 pandemic), political instability, the need to comply with the directives of relevant government authorities and the requirement to obtain certain material approvals to operate our Manufacturing Facility. Since commencement of manufacturing, we have not experienced any disruption, breakdown or shutdown of our Manufacturing Facility due to any breakdown or failure of equipment, disruption in power supply or processes, severe weather conditions, performance below expected levels of efficiency, obsolescence, labour disputes, natural disasters, industrial accidents and political instability. Our customers rely significantly on the timely delivery of our products and our ability to provide an uninterrupted supply of our products is critical to our business. While we seek to ensure a continuous supply of our products to our customers, our customer relationships, business and financial results may be adversely affected by any disruption of operations of our foundries and our major equipment.

2. ***We do not own the premises where our Registered Office is located.***

The premises on which our Registered Office is not owned by us and is situated on the property of our Promoter, Himanshu Lohia and Subodh Lohia. The premise is being used by us on the basis of rent agreement dated April 1, 2024 which is taken on rent from our Promoter, Himanshu Lohia and Subodh Lohia. For more details on properties of our Company, see “***Our Business***” on page 128. If any such arrangement under which we occupy the premises are changed or our Promoter, Himanshu Lohia and Subodh Lohia requires us to vacate the premise, we may suffer a disruption in our operations which could have a material adverse effect on our business, financial condition and results of operations. Further, the registered office of our Subsidiary is also situated on rental premises.

3. ***Our manufacturing activity is subject to availability of raw material and the costs of the raw materials. Any shortage in availability or fluctuations in raw material prices, may have a material adverse effect on our business, financial condition, results of operations and cash flows.***

Our operations are dependent upon the price and availability of the raw materials that we require for the production of our products. Our primary raw materials includes return alloy parts of railways of defined compositions which is sourced from Jagadri workshop, Northern Railways, Haryana. Apart from these various types of chemicals like FeSi, FeMn, Al, FeSiMg, Cr, C, Ni, Mo etc. are used for alloying purpose to provide the required strength to the metal. Special sand with silica content of minimum 98.5% & AFS of 45-50 are also used. We procure our raw materials based on market availability, pricing and quality through domestic suppliers. The cost of materials consumed (including purchase of stock in trade and changes in inventory) by us in our operations accounted for 51.28%, 79.84% of our revenue from operations for Fiscal 2024 and Fiscal 2023, respectively. We source our raw materials from third party local suppliers. Our ability to remain competitive, maintain costs and profitability depend, in part, on our ability to source and maintain a stable and sufficient supply of raw materials at acceptable prices. The success of our business is significantly dependent on maintaining good relationships with our raw material suppliers. We generally do not enter into long term supply agreement and the absence of such long-term supply contracts subjects us to risks such as price volatility caused by various factors such as market fluctuations, production and transportation cost, changes in government policies, regulatory changes, etc.

While, we have not experienced any significant disruption in supply or fluctuation in the prices of raw material in the past, there can be no assurance that we will not face such situation in future. Any disruption in supply of our raw material or increase in the cost of inputs to our production could lead to higher costs for our products. If we increase the prices of our products to offset the impact of higher costs, this may cause certain of our customers to cancel orders or refrain from purchasing our products, which may materially and adversely reduce the demand for our products, and thus, negatively impact our operating results. If we are unable to pass on cost increases to our customers or are unsuccessful in managing the effects of raw material price fluctuations, our business, financial condition, results of operations and cash flows could be materially and adversely affected.

4. ***Our business and revenues are substantially dependent on Indian Railways.***

We derive majority of our revenues from contracts with a limited number of customers such as Jupiter Wagons Limited, Titagarh wagons Limited, Om Besco Rail Products Limited, JL Steel-2 who depends upon Indian Railways for award and execution of the projects awarded to them and therefore our revenues substantially dependent on Indian Railways and Indian Railway Sector. For the Financial Year 2024, Financial Year 2023 and Financial Year 2022, the contribution towards revenue from sale of products from our top 10 customers is as follows:

Sr. No.	Particulars	FY 2024		FY 2023		FY 2022	
		Sales	%	Sales	%	Sales	%
1	Revenue from Top 10 customers	4,456.45	94.36	1,544.72	95.17%	458.56	99.94%

(in ₹ Lakhs)

However, the composition of revenue generated from these customers might change as we continue to add new customers in the normal course of business. Our revenues may be adversely affected if there is an adverse development with such customer, including as a result of a dispute with or our disqualification by such major customers, which may result in significant reduction in our orders from such customers, and thereby decline in our revenue, cash flows and liquidity.

Our business is primarily dependent on work order awarded by Indian Railways. Further, we do not enter into long term purchase agreements with our customers and instead rely on work order issued through tenders to govern the volume and other terms of our sales. While we believe that we have technical capabilities to be awarded with work orders from Indian Railways or entities undertaking projects awarded by Indian Railways, there can be no assurance that we will continue to be awarded with work order from Indian Railway or such entities. Significant dependence on government clients may increase the potential volatility of our results of operations.

Although, we have not experienced any material bad debts in Financial Year 2024, 2023 and 2022, any delay or default in payment by these customers may adversely affect our business, financial condition and results of operations. Our relationship with our customers is dependent to a large extent on our products being RDSO approved, ability to regularly meet their requirements, price competitiveness, efficient and timely product deliveries and consistent product quality. In the event we are unable to meet such requirements in the future, it may result in decrease in orders or cessation of business from affected customers. Any loss of any of our significant customers, a decrease in the volume of products our customers demand from us may materially and adversely affect our business, operations, financial condition, results of operations and prospects.

5. ***Our business is dependent on the continued growth of infrastructure mainly the Railways infrastructure and any slowdown in fresh investments in the Railway infrastructure or change in policies may impact our business and results of operations.***

Our revenue is primarily derived from railway sector in India. The growth of railway sector has seen a significant improvement in the last few years in terms of policies and investments by the GoI.

Investments by the GoI in the railway infrastructure are key to our business growth and future prospects. However, any slowdown in the growth of infrastructure sectors including railways and any change in policy or inability of the GoI to allocate sufficient budgets may impact our business and results of operations in the future.

6. ***We are subject to strict quality requirements, regular inspections and the success and wide acceptability of our products is largely dependent upon our quality controls and standards. Any failure to comply with quality standards may adversely affect our business prospects and financial performance, including cancellation of existing and future orders which may expose us to warranty claims.***

We are Class A" foundry certified by Indian Railways. Our ability to serve Indian Railway sector depends upon our ability to maintain RDSO approvals for our foundry and products. While we believe we undertake the necessary measures and engage experts to ensure that our manufacturing facility and products comply with the applicable standards as imposed by our customers, any failure on our part to maintain the applicable standards and manufacture products according to prescribed specifications, may lead to loss of reputation and goodwill of our Company, cancellation of the order and even lead to loss of customers. Additionally, it could expose us to monetary liability and/ or litigation. However, in past we have not faced any such instances.

We follow strict manufacturing practices and standards, and our Manufacturing Facility benefits from the quality benchmarking certifications such as ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018, further validating our commitment to quality management, environmental management, and occupational health and safety, respectively. If we fail to comply with applicable quality standards or if the relevant accreditation institute or agency declines to certify our products, or if we are otherwise unable to obtain such quality accreditations in the future, within time or at all, our business prospects and financial performance will be materially and adversely affected.

7. ***We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, any failure to obtain, retain and renew such approvals and licences or comply with such rules and regulations may adversely affect our operations.***

We require several statutory and regulatory permits, licenses and approvals to operate our business, some of which are either received or applied for. Many of these approvals are subject to periodical renewal. Any failure to renew the approvals that may expire, or to apply for the required approvals, licences, registrations or permits, or any suspension or revocation of any of the approvals, licences, registrations and permits that have been or may be issued to us, could result in delaying the operations of our business, which may adversely affect our business, financial condition, results of operations and prospects. Further, in order to comply with various applicable local laws, we have made a few applications for obtaining requisite approvals. For further details, see "***Government and Other Statutory Approvals***" on pages 291.

Our operations are regulations relating to the protection of the environment and occupational health and safety. For instance, we require certain material approvals including approvals under the Water (Prevention and Control of Pollution) Act, 1974, as amended, the Air (Prevention and Control of Pollution) Act, 1981, in order to establish our manufacturing facility which we have in obtained. However, as on date, our Company has made application for obtaining consent to operate under the Water (Prevention and Control of Pollution) Act, 1974, as amended and the Air (Prevention and Control of Pollution) Act, 1981, and the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 and Fire NoC under single window clearance system and is pending. For further details, see "***Government and Other Statutory Approvals***" on page 291.

Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation,

revocation or suspension of relevant permits, licenses or approvals which may result in the interruption of our operations and may have a material adverse effect on our business, financial condition, cash flows and results of operations. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change, we may incur increased costs, be subject to penalties or suffer a disruption in our business activities, any of which could adversely affect our results of operations. For further details, see “**Key Industry Regulations and Policies**” and “**Government and Other Statutory Approvals**” for permits/licenses required for the business on pages 149 and 291, respectively.

8. ***We have limited experience in the manufacture activity that we carry.***

We are engaged in the business of manufacturing of customised products in different grades of ferrous metallurgical products. Our product portfolio covers different grades of mild steel, spheroidal graphite iron, cast iron and manganese steel, from as small as 0.2 Kgs to 500 Kgs finished metallurgical products. We are a RDSO certified vendor for manufacturing and supply of over 25 casting products for Indian Railways. However, we are carrying manufacturing activity in our Manufacturing Facility from 2023 onwards and thus our experience may be limited. Accordingly, we may be subject to diversion of our management’s attention and our resources from our existing businesses. Further, we may be subject to the risks generally associated with new manufacturing activity such as inexperienced staff, delays in product development and possible failure of products to operate properly. Although, we have not faced any such issue and the same is evidenced by RDSO approval and other accreditations to our facility and products certifying good quality standards.

9. ***Our inability to successfully diversify our product offerings by setting up new manufacturing facility may adversely affect our growth and negatively impact our profitability.***

As part of our growth strategy, we plan to further diversify its product portfolio by introducing new line of products through setting up of new facility. With setting up of new manufacturing facility, for production of complete bogie and coupler, we believe, that we will be able to manufacture critical railway assembly and would be in a position to cater other industries as well. However, we cannot assure you that we will succeed in effectively diversify our product portfolio by introducing new line of products through setting up of new facility. Any failure in the development or implementation of our operations is likely to adversely affect our business, results of operations and cash flows. If we are unsuccessful in this endeavour, our business, financial condition, results of operations or reputation may be adversely affected.

10. ***Our promoters have limited experience in the industry in which we operate.***

Our Promoters are young and are associated with the company since incorporation i.e. January 2020. Prior to this, they did have limited business exposure in the industry in which our Company is operating. Although they have been successfully running the business operations, lack of vintage experience to address the risks frequently encountered by industry, may adversely affect our operations.

11. ***Our Company, our Promoters and Directors are parties to certain legal proceedings. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.***

Our Company, our Promoters and Directors are party to certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and legal forums. A summary of outstanding litigation proceedings involving our Company, our Promoters, and our Directors, as on the date of this Draft Red Herring Prospectus as disclosed in “**Outstanding Litigations and Material Developments**” on page 287, in terms of the SEBI ICDR Regulations and the Materiality Policy is provided below:

Nature of Cases	Number of outstanding cases	Amount Involved (in Rs. Lakhs)*
<b><i>Litigation involving our Company</i></b>		
Criminal proceedings against our Company	Nil.	Nil.
Criminal proceedings by our Company	Nil.	Nil.
Material civil litigation against our Company	Nil.	Nil.
Material civil litigation by our Company	Nil.	Nil.
Actions by statutory or regulatory Authorities	Nil.	Nil.
Direct and indirect tax proceedings	2	4.27
<b><i>Litigation involving our Directors (other than Promoters)</i></b>		
Criminal proceedings against our Directors (other than Promoters)	Nil.	Nil.
Criminal proceedings by our Directors (other than Promoters)	Nil.	Nil.
Material civil litigation against our Director (other than Promoters)	Nil.	Nil.
Material civil litigation by our Director (other than Promoters)	Nil.	Nil.
Actions by statutory or regulatory authorities (other than Promoters)	Nil.	Nil.
Direct and indirect tax proceedings	Nil.	Nil.
<b><i>Litigation involving our Promoter</i></b>		
Criminal proceedings against our Promoter	Nil.	Nil.
Criminal proceedings by our Promoter	Nil.	Nil.
Material civil litigation against our Promoter	Nil.	Nil.
Material civil litigation by our Promoter	Nil.	Nil.
Actions by statutory or regulatory authorities	Nil.	Nil.
Direct and indirect tax proceedings	1	0.06
<b><i>Litigation involving our Subsidiaries</i></b>		
Criminal proceedings against our Subsidiaries	Nil.	Nil.
Criminal proceedings by our Subsidiaries	Nil.	Nil.
Material civil litigation against our Subsidiaries	Nil.	Nil.
Material civil litigation by our Subsidiaries	Nil.	Nil.
Actions by statutory or regulatory authorities	Nil.	Nil.
Direct and indirect tax proceedings	Nil.	Nil.

There can be no assurance that litigations involving our Company, our Promoters and Directors will be decided in favour of our Company, Promoters and Directors and consequently it may divert the attention of our management and Promoters and consume our corporate resources and we may incur significant expenses in such proceedings and we may have to make provisions in our financial statements, which could increase our expenses and liabilities. If such claims are determined against Company, our Promoters and Directors, there could be a material adverse effect on our reputation, business, financial condition and results of operations, which could adversely affect the trading price of our Equity Shares.

Furthermore, we may not be able to quantify all the claims in which we are involved. Failure to successfully defend these or other claims or if our current provisions prove to be inadequate, our business and results of operations could be adversely affected. Even if we are successful in defending such cases, we will be subjected to legal and other costs relating to defending such litigation, and such costs could be substantial. In addition, we cannot assure that similar proceedings will not be initiated in the future. This could adversely affect our business, cash flows, financial condition, and results of operation. For further details, pertaining to material pending outstanding litigations involving our Company, our Promoters and Directors, see “*Outstanding Litigations and Material Developments*” on page 287.



12. ***Our business is capital intensive. We require substantial financing for our business operations. Our indebtedness and the conditions and restrictions imposed on by our financing arrangements could adversely affect our ability to conduct our business.***

Our business requires significant amount of working capital primarily as a considerable amount of time passes between purchase of raw materials and collection of receivables post sales to customers. This requires us to obtain financing through various means. As on August 15, 2024, our total secured borrowings stood at ₹1010.56 lakhs. We may incur additional indebtedness in the future. Additional debt financing could increase our interest costs and require us to comply with additional restrictive covenants in our financing agreements. Additional equity financing could dilute our earnings per Equity Share and investors interest in the Company, and could adversely impact our Equity Share price.

Furthermore, the objects of the Issue include funding working capital requirements of our Company, which is based on management estimates and certain assumptions. For more information in relation to such management estimates and assumptions, see “*Objects of the Issue*” on page 80. Our working capital requirements may be affected due to factors beyond our control including force majeure conditions, delay or default of payment by our clients, non-availability of funding from banks or financial institutions. Accordingly, such working capital requirements may not be indicative of the actual requirements of our Company in the future and investors are advised to not place undue reliance on such estimates of future working capital requirements.

In past, we have been able to raise funding from bank as and when the need has arisen and has not defaulted our financial commitments. However, any failure to service our indebtedness, perform any condition or covenant or comply with the restrictive covenants could lead to a termination of one or more of our credit which may adversely affect our ability to conduct our business and have a material adverse effect on our financial condition and results of operations. We cannot assure you that we will be able to raise additional financing on acceptable terms in a timely manner or at all. Our failure to renew arrangements for existing funding or to obtain additional financing on acceptable terms and in a timely manner could adversely impact our planned capital expenditure, our business, results of operations and financial condition.

13. ***We have availed unsecured loans which are repayable on demand. Any demand for repayment of such unsecured loans, may adversely affect our cash flows.***

As on August 15, 2024, we have unsecured loans amounting to ₹6.00 lakhs which are repayable on demand to the relevant lender. Further, these loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lender at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows. For further details of unsecured loans of our Company, see “*Financial Indebtedness*” on page 267.

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

We have provided security in respect of loans / facilities availed by us from banks and financial institutions by creating a charge over our movable and immovable properties. The total amount outstanding and payable by us as secured loans was ₹1010.56 lakhs, as on August 15, 2024. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our assets may be subject to forfeiture by lenders, which in turn could have significant adverse effect on our business, financial condition or results of operations. For further details of the secured loans availed by us, see “*Financial Indebtedness*” on page 267.

15. ***Our Promoters and Promoter Group has provided personal guarantees for loans availed by our Company. Our business, financial condition, results of operations, cash flows and prospects may be adversely affected by the invocation of all or any guarantees provided by our Promoter and Promoter Group.***

Our Promoters and Promoter Group has provided personal guarantees to secure a significant portion of our existing borrowings, and may post listing continue to provide such guarantees and other security. In case of a default under our loan agreements, any of the guarantees provided by our Promoters and Promoter Group may be invoked, which could negatively impact the reputation of our Company. In addition, our Promoters and Promoter Group may be required to liquidate their shareholding in our Company to settle the claims of the lenders, thereby diluting their shareholding in our Company. We may also not be successful in procuring alternate guarantees satisfactory to the lenders, as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details regarding loans availed by our Company, please refer “***Financial Indebtedness***” on page no. 267.

16. ***We have not yet placed orders in relation to the funding Capital Expenditure towards construction of factory building which is proposed to be financed from the Issue proceeds of the IPO. In the event of any delay in placing the orders, or in the event the vendors are not able to provide the equipment in a timely manner, or at all, may result in time and cost over-runs and our business, prospects and results of operations may be adversely affected. Our proposed capacity expansion plans via one of our proposed manufacturing facilities are subject to the risk of unanticipated delays in implementation due to factors including delays in construction, obtaining regulatory approvals in timely manner and cost overruns.***

We intend to use a part of the Net Proceeds for Funding Capital Expenditure towards construction of factory building at our proposed manufacturing facility to expand capacities in our existing product segments.

We are yet to place orders for the capital expenditure for the Proposed Project. We have not entered into any definitive agreements to utilize the Net Proceeds for this object of the Issue and have relied on the quotations received from third parties for estimation of the cost. While we have obtained the quotations from various vendors in relation to such capital expenditure, most of these quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. Additionally, in the event of any delay in placement of such orders, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly. We cannot assure you that we will be able to undertake such capital expenditure within the cost indicated by such quotations or that there will not be cost escalations.

Our Proposed Project may be subject to potential problems and uncertainties that construction projects face including cost overruns or delays. Problems that could adversely affect our expansion plans include labour shortages, increased costs of equipment or manpower, inadequate performance of the equipment and machinery installed in our manufacturing facilities, delays in completion, defects in design or construction, the possibility of unanticipated future regulatory restrictions, delays in receiving governmental, statutory, environmental and other regulatory approvals, incremental pre operating expenses, taxes and duties, interest and finance charges, working capital margin, environment and ecology costs and other external factors which may not be within the control of our management. Further, there can be no assurance that our budgeted costs may be sufficient to meet our proposed capital expenditure requirements. If our actual capital expenditures significantly exceed our budgets, or even if our budgets were sufficient to cover these projects, we may not be able to achieve the intended economic benefits of these projects, which in turn may materially and adversely affect our financial condition, results of operations, cash flows, and prospects. There can be no assurance that we will be able to complete the aforementioned expansion and additions in accordance with the proposed schedule of implementation and any delay could have an adverse impact on our growth, prospects, cash flows and financial condition. A contractor has not been appointed for the said factory building and the appointment will occur after the receipt of IPO proceeds.

The Proposed Project will require us to obtain various approvals, which are routine in nature. For further details, see “*Objects of the Issue*” beginning on page 80. In addition to such pending approvals, we will also need to apply for certain additional approvals required for the Proposed Project after construction of factory building. There can be no assurance that we will be able to obtain these registrations and approvals including approvals in relations to power and water procurement in a timely manner or at all. Further, in the event of any unanticipated delay in receipt of such approvals, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly. For details, see “*Objects of the Issue*” beginning on page 80.

17. ***We may not be able to successfully manage the growth of our operations and execute our growth strategies which may have an adverse effect on our business, financial condition, results of operations and future prospects.***

As we continue to grow, we must continue to improve our managerial, technical and operational knowledge and allocation of resources, and implement an effective management information system. In order to fund our ongoing operations and future growth, we need to have sufficient internal sources of liquidity or access to additional financing from external sources, including debt or equity. Further, we will be required to manage relationships with a greater number of clients, suppliers, lenders and other third parties. We will need to further strengthen our internal control and compliance functions to ensure that we will be able to comply with our legal and contractual obligations and minimize our operational and compliance risks. There can be no assurance that we will not suffer from capital constraints, operational difficulties or difficulties in expanding existing business and operations and training an increasing number of personnel to manage and operate the expanded business. There can be no assurance that we will be able to successfully manage our growth, strategies or that our expansion plans will not adversely affect our existing operations and thereby have an adverse effect on our business, financial condition, results of operations and prospects.

Further, we could also encounter difficulties and delays in executing our growth strategies due to a number of factors, including, unavailability of human and capital resources, inability to develop adequate systems, infrastructure and technologies, delayed payments or non-payments by clients, failure to correctly identify market trends, increase in cost of raw material, fuel, labour etc. There can be no assurance that we will be able to execute our growth strategy on time and within the estimated costs, or that we will meet the expectations of our clients.

18. ***Our success depends upon our Directors and the Key Managerial Personnel. Disassociation of our Directors or any failure to retain such key managerial personnel could have an adverse impact on our business, financial conditions and results of operations.***

Our ability to meet continued success and future business challenges depends on our ability to attract, recruit and retain experienced, talented and skilled professionals. The loss of the services of our key personnel or our inability to recruit or train sufficient number of experienced personnel or our inability to manage the attrition levels in different employee categories may have an adverse effect on our financial results and business prospects. We have not faced any significant attrition of key managerial personnel and senior management personnel during the last three (3) financial years. However, we cannot assure that there will be no attrition of our senior management personnel in the future.

If we are unable to hire additional qualified personnel or retain them, our ability to expand our business may be impacted. Our Company’s profitability, financial condition and results of operations may also be impacted due to lack of experienced and talented workforce. Senior management attrition may also result in our Company incurring higher costs, including the cost of recruiting and costs associated with onboarding. As we intend to continue to expand our operations, we will be required to continue to attract and retain experienced personnel. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting suitable employees.

19. ***We have in past entered into related party transactions and we may continue to do so in the future***

As of March 31, 2024, we have entered into several related party transactions. In addition, we have in the past also entered into transactions with other related parties. We confirm that the transactions with related parties entered into by our Company in the preceding three years have been carried out at arms' length price and are in compliance with applicable laws including Companies Act, 2013. Further, we confirm that the transactions are not prejudicial to the interest of our Company. A summary of the related party transactions during the Financial Year 2024, 2023 and 2022 as per applicable Ind GAAP is derived from our Restated Financial Statements. For further details, see "***Restated Financial Information***" on page 179.

While we believe that all our related party transactions have been conducted on an arm's length basis, we cannot assure you that we may not have achieved more favourable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or taken together, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. In addition, our business and growth prospects may decline if we cannot benefit from our relationships with them in the future.

20. ***We may be unable to sufficiently obtain, maintain, protect, or enforce our intellectual property and other proprietary rights.***

As on date of this Draft Red Herring Prospectus, we have made an application for registration of our trademark under class 6, 12, 21 which are pending (*Formalities Chk Pass*) as on date. For further details, see "***Our Business***" on page 128. We cannot assure you that we will be able to obtain registration against the application made. If we are unable to register or renew our trademarks for various reasons including our inability to remove objections to any trademark application, or if our unregistered trademark are registered in favour of or used by a third party in India or abroad, we may not be able to claim registered ownership of such trademark and consequently, we may not be able to seek remedies for infringement of those trademarks by third parties other than relief against passing off by other entities, causing damage to our business prospects, reputation and goodwill in India and abroad. Apart from this, any failure to register or renew registration of our registered trademark may affect our right to use such trademark in future. Further, our efforts to protect our intellectual property in India and abroad may not be adequate and any third-party claim on any of our unprotected intellectual property may lead to erosion of our business value and our reputation, which could adversely affect our operations. We may also not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our trademarks in India and abroad.

21. ***We have experienced negative cash flows from operating activities and may do so in the future, which could have a material adverse effect on our business, prospects, financial condition, cash flows and results of operations.***

The Company has reported negative cash flow from operating activities in past as per the Restated Financial Statement as given below:

Particulars	For year ended March 31,		
	2024	2023	2022
Net cash flow generated from/ (utilized in) operating activities	767.25	(195.27)	1.89

(Figures in brackets are negative)

For details, see "***Restated Financial Information – Restated Cashflow Statement***" on page 191.

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising

finance from external resources. We may continue to have negative operating cash flows in future. If our Company is not able to generate sufficient operating cash flows, it may adversely affect our business and financial operations. For further details, see “*Restated Financial Statement*” on page 179.

22. ***Our Company is dependent on third parties for transportation of our finished products and any disruption in their operations or a decrease in the quality of their services could have an adverse impact on our business, financial condition, cash flows and results of operations.***

Our ability to manufacture, transport, and sell our products is critical to our success. Our Company is dependent on third party transportation for movement of our products from our Manufacturing Facility. We also use railways for delivery of our finish products as and when required. Any disputes with our transporters, including disputes regarding pricing or performance, could adversely affect our ability to supply products to our customers on timely basis and could materially and adversely affect our product sales, financial condition, and results of operations.

Occurrence of any disruption to our third-party transportation services availed by us, due to weather, natural disaster, fire or explosion, terrorism, pandemics, strikes, government action, or other reasons beyond our control or the control of our transporters, could impair our ability to manufacture or sell our products. Failure to take adequate steps to mitigate the likelihood or potential impact of such events or to effectively manage such events if they occur could adversely affect our business. The occurrence of any of these factors could result in a significant decrease in the sales volume of our products and therefore adversely affect our financial condition, cash flows and results of operations.

23. ***Our management will have broad discretion in how we apply the Net Proceeds, including interim use of the Net Proceeds, and there is no assurance that the objects of the Issue will be achieved within the time frame expected or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment.***

We intend to use Net Proceeds from the Issue towards (a) capital expenditure; and (b) general corporate purposes. For details of the objects of the Issue, see “*Objects of the Issue*” on page 80. Our management will have broad discretion to use the Net Proceeds, and investors will be relying on the judgment of our management regarding the application of the Net Proceeds. Moreover, we cannot undertake any material deviation in the utilisation of the Net Proceeds as disclosed in this Draft Red Herring Prospectus without obtaining the approval of shareholders of our Company through a special resolution. Our Company may have to revise its management estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations and consequently its requirements may change. Additionally, various risks and uncertainties, including those set forth in this section may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in its business.

24. ***Our funding requirements and the deployment of Net Proceeds are based on management estimates and quotations received and have not been independently appraised. Any variation in the utilisation of Net Proceeds of the Fresh Issue as disclosed in this Draft Red Herring Prospectus shall be subject to compliance requirements, including prior shareholders’ approval.***

We propose to utilize the Net Proceeds as stated under “*Objects of the Issue*” on page 80. However, our funding requirements and the deployment of Net Proceeds are based on management estimates and have not been independently appraised.

As per section 27 of the Companies Act, the objects of utilization of the Net Proceeds from the fresh issue as disclosed in this Draft Red Herring Prospectus can only be varied after obtaining the shareholders’ approval vide a special resolution. In the event, the Company wishes to vary the objects for which the net proceeds from the fresh issue are required to be varied, our Company may not be able to obtain the Shareholders’ approval in a timely manner, or at all. Any delay or inability in obtaining such Shareholders’ approval may adversely affect our business or operations. Therefore, we may not be

able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our ability to respond to any change in our business or financial condition, and thus, adversely affecting our business and results of operations.

Further, our Promoters would be required to provide an exit opportunity to Shareholders who do not agree with our proposal to change the objects of the Issue or vary the terms of such contracts, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters to provide an exit opportunity to such dissenting shareholders may deter our Promoters from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. Further, we cannot assure you that the Promoters or the controlling shareholders of our Company will have adequate resources at their disposal at all times to enable them to provide an exit opportunity at the price prescribed by SEBI. In light of these factors, we may not be able to undertake variation of objects of the Issue to use any unutilized proceeds of the Issue, if any, or vary the terms of any contract referred to in the Draft Red Herring Prospectus, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

25. ***We operate in a competitive business environment. Competition from existing players and new entrants and consequent pricing pressures could have a material adverse effect on our business growth and prospects, financial condition and results of operations.***

The industry in which we operate is highly competitive. We expect that competition will continue to intensify both through the entry of new players and consolidation of existing players. Our competitors may have greater financial resources, better distribution network, technical and marketing resources and generate greater revenues, and therefore may be able to respond better to market changes than we can. The industry in which we operate have low entry barriers and therefore we cannot assure you that our current or potential competitors will not provide products comparable or superior to those we provide or adapt more quickly than we do to market requirements, at prices equal to or lower than those of our products. Increased competition may result in our inability to differentiate our products from those of our competitors, which may lead to a loss of market share. Our ability to compete also depends on a number of factors beyond our control, including the ability of our competitors to attract, train, motivate and retain highly skilled technical employees, the price at which our competitors offer comparable products and the extent of our competitor's responsiveness to customer needs. Our inability to adequately address competitive pressures may have a material adverse effect on our business, prospects, financial condition and results of operations.

26. ***Stringent environmental, health and safety laws and regulations or stringent enforcement of existing environmental, health and safety laws and regulations may result in increased liabilities and increased capital expenditures.***

Our operations are subject to environmental, health and safety and other regulatory and statutory requirements in the jurisdictions in which we operate. We are subject to various national, state, municipal and local laws and regulations concerning environmental protection in India. Non-compliance with these laws and regulations could expose us to civil penalties, criminal sanctions and revocation of key business licenses. Environmental laws and regulations in India are becoming more stringent and the scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. In case of any change in environmental or pollution regulations, we may be required to invest in, among other things, environmental monitoring, pollution control equipment and emissions management.

As a consequence of unanticipated regulatory or other developments, future environmental and regulatory related expenditures may vary substantially from those currently anticipated. We cannot assure you that our costs of complying with current and future environmental laws and other regulations will not adversely affect our business, results of operations, financial condition or cash flows. In addition, we could incur substantial costs, our products could be restricted from entering certain markets and we

could face other sanctions, if we were to violate or become liable under environmental laws or if our products become non-compliant with applicable regulations. Our potential exposure includes fines and civil or criminal sanctions, third-party property damage or personal injury claims and clean-up costs. The amount and timing of costs under environmental laws are difficult to predict.

27. ***Our Promoters and some of our Directors are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses.***

Some of Promoters and our Directors are interested in our Company to the extent of their respective shareholding in our Company as well as to the extent of any dividends, bonus or other distributions on such Equity Shares. We cannot assure you that our Directors will exercise their rights as shareholders to the benefit and best interest of our Company. Further, our Promoters holding Equity Shares may take or block actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders. For further information on the interest of our Promoters and Directors, other than reimbursement of expenses incurred or normal remuneration or benefits, see “***Our Management***” and “***Our Promoters and Promoter Group***” on pages 160 and 172, respectively.

28. ***There may have been certain instances of non-compliances with respect to certain corporate actions taken by our Company in the past. Consequently, we may be subject to regulatory actions and penalties.***

There were certain instances of secretarial non-compliances in our Company, such; (i) delay in filing of e-form DPT - 3 in Fiscal 2021 to 2022; However, our Company has made all the requisite filings with payment of additional fees to the Ministry of Corporate Affairs, as applicable Further, there can be no assurance that there will be no delays with the filing of certain documents in the future.

Further, our Company had inadvertent failed to file form PAS-3 for allotment dated June 10, 2020 and has made errors in filling AOC-4 for financial year 2021-22 and 2022-23. Our Company has suo moto filed separate adjudication applications before the Registrar of Companies, Utrakhhand for adjudicating the penalties for the aforesaid non-compliances under the Companies Act, 2013 and the same are pending as on date. While we have not been subject to any penalties by regulatory authorities, there can be no assurance that we would not be subject to such penalties or fines in the future. Further, there can be no assurance that there will be no delays or non-compliances with the filing of certain documents in the future.

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

30. ***We are subject to restrictive covenants under our financing agreements that could limit our flexibility in managing our business or to use cash or other assets. Any defaults could lead to acceleration of our repayment obligations, termination of one or more of our financing agreements or force us to sell our assets, which may adversely affect our cash flows, business, results of operations and financial condition.***

We have entered into agreements for secured short term and long-term borrowings with certain lenders. The credit facilities availed by us are secured by way of mortgage of fixed assets, hypothecation of current assets (both present and future), and personal guarantee of Promoter and Promoter Group. In case we are not able to pay our dues in time, the same may amount to a default under the loan documentation and all the penal and termination provisions therein would get triggered. This could severely affect our

operations and financial condition. Our financing agreements include certain covenants that require us to obtain lender consents prior to carrying out certain corporate activities and entering into certain transactions, such as, incurring any additional borrowings, undertaking capital expenditure, effect any change in shareholding pattern and management control of the Company amongst others. In addition, any breach of financial or non-financial covenant may qualify as an event of default under financing agreements.

We cannot assure you that the lenders will not seek to enforce their rights in respect of any breach by us under our financing agreements. Any failure to comply with any condition or covenant under our financing agreements that is not waived by the lenders or is not otherwise cured by us, may lead to a termination of our credit facilities and/or acceleration of all amounts due under the relevant credit facility. Further, if the obligations under any of our financing agreements are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under the financing documents, thereby reducing the availability of cash for our operations. In addition, the lenders may enforce their security interest in certain of our assets. Moreover, during the period in which we are in default, we may face difficulties in raising further loans. Any future inability to comply with the covenants under our financing agreements or to obtain the necessary consents required thereunder may lead to termination of our credit facilities, levy of penal interest, acceleration of all amounts due under such financing agreements and enforcement of any security provided. Any of these circumstances may have an adversely affect our business, results of operation and financial condition. Further, the said credit facilities can be renewed/enhanced/cancelled/suspended/reduced and the terms and conditions of the same can be altered by the lending banks, at their discretion. In the event, the lenders refuse to renew / enhance the credit facilities and/or cancel / suspend / reduce the said credit facilities and/or alter the terms and conditions to the derogation of our Company, then our existing operations as well as our future business prospects and financial condition may be severely affected.

31. ***Information relating to our production capacities and the capacity utilization of our Manufacturing Facility included in this Draft Red Herring Prospectus is based on factual data and proposed capacity is based on certain assumptions and has been subjected to rounding off, and future production and capacity utilization may vary.***

Information relating to our production capacities and the historical capacity utilization of our Manufacturing Facility included in this Draft Red Herring Prospectus is based on factual data of past years and proposed capacity utilization is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of raw materials, assumptions relating to operational efficiencies, as well as assumptions in relation to the average density of casting products manufactured by us. Actual production levels and utilization rates may differ significantly from the estimated production capacities or capacity utilization information of our facility. Undue reliance should therefore not be placed on our production capacity or estimated capacity utilization information for our existing facility included in this Draft Red Herring Prospectus.

32. ***There have been past instances of delays by the Company in filing of certain GST returns and making payments under the Employees Provident Fund and Miscellaneous Provisions Act, 1952. Any future instances of such delays may result in levy of penalties on the Company.***

There were certain instances of delays in filing of GST returns and making of payments under the Employees Provident Fund and Miscellaneous Provisions Act, 1952. However, our Company has made the requisite filings with payment of additional fees to the GST authorities and also made the requisite EPF payments.

In most of the instances, the delays in filing the GST returns had occurred as the Company was not able to get 100% claim of Input credit on or before due date of filing of returns and therefore the Company had to wait for its vendors to complete their filing so that Company can get inputs in its account, on account of technical issues with GST portal on various occasions, due to administrative difficulties. To address such delays, the Company has taken corrective steps to mitigate the delays to mitigate the delays including appointment of professionals.



Further, delays in making EPF payments had occurred due to technical issues with EPF portal on various occasions, administrative difficulties. To address such delays, the Company has taken corrective steps to mitigate the delays including appointment of professionals.

While we have not been subject to any penalties by regulatory authorities, there can be no assurance that we would not be subject to such penalties or fines in the future. Further, there can be no assurance that there will be no delays or non-compliances with the filing of certain documents in the future.

33. ***We may be affected by competition law, the adverse application or interpretation of which could adversely affect our business.***

The Competition Act, 2002 (“**Competition Act**”) seeks to prevent business practices that have an Appreciable Adverse Effect on Competition (“**AAEC**”) in the relevant market in India. Under the Competition Act, any arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an AAEC in India is void and attracts substantial monetary penalties. The Competition Act also prohibits abuse of a dominant position by any enterprise. The combination regulation (merger control) provisions under the Competition Act require that the acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by CCI. However, the applicability or impact of the provisions of the Competition Act on any future acquisition or arrangement entered into by us cannot be predicted with certainty at this stage.

34. ***We are subject to operational risks on account of obsolescence, destruction, breakdown of our equipment or failure to repair or maintain such equipment. Further, if we do not continually enhance our business with the most recent equipment and technology, our ability to maintain and expand our markets may be adversely affected.***

Our Manufacturing Facility, are subject to the normal risks of industrial production, including equipment breakdowns, labour stoppages or disputes, shortage of skilled labour, natural disasters, directives from government agencies, water shortages, power interruptions, performance below expected levels of output or efficiency, obsolescence, severe weather, industrial accidents, our inability to respond to technological advances and emerging industry standards and practices in the industry. 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 the malfunctioning machinery in a timely manner or at all, our operations may need to be suspended until we procure machinery to replace the same.

35. ***Changes in technology may affect our business by making our Manufacturing Facility or equipment less competitive or obsolete.***

Our future success will depend in part on our ability to respond to technological advances and emerging industry standards and practices on a cost-effective and timely basis. Modernization and technology upgradation is essential to reduce costs and increase the output. Our technology and machineries may become obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may lose our competitive edge. The development and implementation of such technology and machinery entails technical and business risks. Further, the costs in upgrading our technology and modernizing the plant and machineries may be significant which could substantially affect our finances and operations. We cannot assure you that we will be able to successfully implement new technologies or adapt our processing systems to customer requirements or emerging industry standards. Changes in technology and high-power costs may make newer facilities or equipment more competitive than ours or may require us to make additional capital expenditures to upgrade our facility. If we are unable, for technical, financial or other reasons, to adapt in a timely manner to changing market conditions, customer requirements or technological changes, our business and results of operations could be adversely affected.

36. ***Our insurance coverage may not be adequate to protect us against all potential losses to which we may be subject and this may have a material effect on our business and financial condition.***

While we believe that we maintain requisite insurance coverage as per industry standard. For details, see “***Our Business***” on page 128. However, we may not have sufficient insurance coverage to cover all possible economic losses, including when the loss suffered is not easily quantifiable and in the event of severe damage to our business. Even if we have made a claim under an existing insurance policy, we may not be able to successfully assert our claim for any liability or loss under such insurance policy. Additionally, there may be various other risks and losses for which we are not insured either because such risks are uninsurable or not insurable on commercially acceptable terms. The occurrence of an event for which we are not adequately or sufficiently insured could have an effect on our business, results of operations, financial condition and cash flows.

In addition, in the future, we may not be able to maintain insurance of the types or at levels which we deem necessary or adequate or at rates which we consider reasonable. The occurrence of an event for which we are not adequately or sufficiently insured or the successful assertion of one or more large claims against us that exceed available insurance coverage, or changes in our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have an effect on our business, results of operations, financial condition and cash flows.

37. ***Our Promoters and members of the Promoter Group will continue jointly to retain majority control over our Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval.***

After completion of the Issue, our Promoters and Promoter Group will collectively own a majority of the Equity Shares of our Company. As a result, our Promoters together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our AoA. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “***Dividend Policy***” on page 178.

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

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Our internal audit functions make an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis so that our operations adhere to our policies,

compliance requirements and internal guidelines. We periodically test and update our internal processes and systems and there have been no past material instances of failure to maintain effective internal controls and compliance system. However, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances.

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

40. ***The average cost of acquisition of Equity Shares by our Promoter could be lower than the Issue Price.***

Our Promoter's average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price. For further details regarding average cost of acquisition of Equity Shares by our Promoter in our Company and build-up of Equity Shares by our Promoter in our Company, please refer to the chapters "***Capital Structure***" beginning on page 71.

41. ***We have not independently verified certain Industry related data in this Draft Red Herring Prospectus.***

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

## **ISSUE SPECIFIC RISKS**

42. ***Subsequent to the listing of the Equity Shares, we may be subject to surveillance measures, such as the Additional Surveillance Measures and the Graded Surveillance Measures by the Stock Exchanges in order to enhance the integrity of the market and safeguard the interest of investors***

Subsequent to the listing of the Equity Shares, we may be subject to Additional Surveillance Measures ("ASM") and Graded Surveillance Measures ("GSM") by the Stock Exchanges and the Securities and Exchange Board of India. These measures have been introduced to enhance the integrity of the market and safeguard the interest of investors. The criteria for shortlisting any security trading on the Stock Exchanges for ASM is based on objective criteria, which includes market-based parameters such as high low-price variation, concentration of client accounts, close to close price variation, market capitalization, average daily trading volume and its change, and average delivery percentage, among others. A scrip is subject to GSM when the share price is not commensurate with the financial health and fundamentals of the company. Specific parameters for GSM include net worth, net fixed assets, PE, market capitalization and price to book value, among others. Factors within and beyond our control may lead to our securities being subject to GSM or ASM. In the event our Equity Shares are subject to such surveillance measures implemented by SEBI and the Stock Exchanges, we may be subject to certain additional restrictions in connection with trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the

development of an active trading market for our Equity Shares.

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

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

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

The Issue Price of our Equity Shares will be determined by the book-building method. This price is based on numerous factors and may not be indicative of the market price of our Equity Shares after the Issue. For details, see “***Basis for Issue Price***” on page 109. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

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

45. ***Any future issuance of Equity Shares, or convertible securities or other equity linked securities by our Company may dilute your shareholding and any sale of Equity Shares by our Promoters or members of our Promoter Group may adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by our Company may dilute 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. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. Any sale of our Equity Shares by our Promoters or major shareholders or future equity issuances, by us may adversely affect the trading price of our Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. We cannot assure you that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

46. ***Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.***

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

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

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

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

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/ Issue Period and withdraw their Bids until Bid/ Issue Closing Date. While our Company is required to complete Allotment pursuant to the Issue within 3 Working Days from the Bid/Issue Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events may limit the Bidders ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

#### **EXTERNAL RISK FACTORS:**

49. ***Our business and results of operations could be adversely affected by disruptions in global economic and geo political conditions.***

The global economy may be materially and adversely affected by political instability or regional conflicts; a general rise in interest rates; inflation; exchange rate fluctuations; changes in tax including antidumping duties and countervailing duties, trade, and monetary policies; occurrence of natural or man-made disasters; downgrade in debt rating; and adverse global economic conditions due to various reasons such as, effect of COVID Pandemic, ongoing dispute between Russia and Ukraine, political instability in Bangladesh, etc. While the Indian economy has grown significantly in recent years, it has experienced economic slowdowns in the past due to global economic and geo political conditions. The Indian economy in particular could be adversely impacted by inflationary pressures, currency depreciation, the poor performance of its large agricultural and manufacturing sectors, trade deficits, recent initiatives by the Indian government and other factors. Unfavourable changes in the above factors or in other business and economic conditions affecting our customers could result in a corresponding decline in our business.

50. ***Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, prospects and results of operations.***

The regulatory and policy environment in India is evolving and subject to change. Such changes in applicable law and policy in India, including the instances described below, may adversely affect our business, financial condition, results of operations, performance and prospects in India, to the extent that we are not able to suitably respond to and comply with such changes.

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

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 group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may also require management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. 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.

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

Under the Companies Act, 2013, a company having share capital and incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to 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 our Equity Shares voting on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our 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. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company would be diluted.

52. ***Investors may not be able to enforce judgements obtained in foreign courts against us.***

We are a public limited company under the laws of India. All of our directors and officers are Indian nationals and all or a significant portion of the assets of all of the directors and officers and a substantial portion of our assets are located in India. As a result, it may be difficult for investors to effect service of process outside India on us or on such directors or officers or to enforce judgements against them obtained from courts outside India, including judgements predicated on the civil liability provisions of the United States federal securities laws.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, which includes the United Kingdom, United Arab Emirates, Singapore and Hong Kong. In order to be enforceable, a judgement from a jurisdiction with reciprocity must meet certain requirements of the Indian Code of Civil Procedure, 1908 (the "Civil Code"). The Civil Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgements or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India.

Therefore, a final judgement for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgement in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favour such final judgement is rendered may bring a fresh suit in a competent court in India based on a final judgment that has been obtained in a non-reciprocating territory within three years of obtaining such final judgement. It is unlikely that an Indian court would award damages on the same basis or to the same extent as was awarded in a final judgement rendered by a court in another jurisdiction if the Indian court believed that the amount of damages awarded was excessive or inconsistent with public policy in India. In addition, any person seeking to enforce a foreign judgment in India is required to obtain prior approval of the Reserve Bank of India to repatriate any amount recovered pursuant to the execution of the judgement.

53. ***We are a public limited company under the laws of India. All of our directors and officers are Indian nationals and all or a significant portion of the assets of all of the directors and officers and a substantial portion of our assets are located in India. As a result, it may be difficult for investors to effect service of process outside India on us or on such directors or officers or to enforce judgements against them obtained from courts outside India, including judgements predicated on the civil liability provisions of the United States federal securities laws Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the industry in which we operate, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, and our business, prospects, financial condition and results of operations, in particular.

54. ***We are subject to regulatory, economic and 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 the BSE SME, subject to the receipt of the final listing and trading approvals from the NSE. 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;
- political instability, terrorism, military conflict, epidemic or public health issues 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;
- Instability in financial markets and 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;

- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis.
- changes in India's tax, trade, fiscal or monetary policies; and
- other significant regulatory or economic developments in or affecting India or its logistics sector.

Moreover, a fall in the purchasing power of our customers, for any reason whatsoever, including rising consumer inflation, availability of financing to our customers, changing governmental policies and a slowdown in economic growth may have an adverse effect on our customers' revenues, savings and could in turn negatively affect their demand for our products. In addition, any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares.

55. ***Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.***

Inflation rates in India have been volatile in recent years, and such volatility may continue. India has experienced high inflation relative to developed countries in the recent past. Continued high rates of inflation may increase our expenses related to costs of raw material, rent, salaries or wages payable to our employees or any other expenses. There can be no assurance that we will be able to pass on any additional expenses to our customers or that our revenue will increase proportionately corresponding to such inflation. Accordingly, high rates of inflation in India could have an adverse effect on our profitability and, if significant, on our financial condition.

56. ***Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.***

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

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

Any adverse revisions to India's credit ratings for international debt by international rating agencies may adversely affect our ability to raise additional overseas financing and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our ability to fund our growth on favourable terms or at all, and consequently adversely affect our business and financial performance and the price of our Equity Shares.

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

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



59. ***The occurrence of natural or man-made disasters may adversely affect our business, financial condition, results of operations and cash flows.***

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

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

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

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

60. ***Our ability to raise foreign capital may be constrained by Indian law.***

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

61. ***Rights of shareholders under Indian laws may be different from laws of other jurisdictions.***

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

## SECTION III – INTRODUCTION

### THE ISSUE

The following table summarizes the Issue details:

#### PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS

Issue of Equity Shares by our Company <sup>(1)(2)</sup>	Upto 1,10,00,000 <sup>*</sup> Equity Shares of face value of ₹5 each fully paid up of our company at a price of ₹ [●] per Equity share aggregating to ₹ [●] Lakhs.
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#### The Issue consists of:

Market Maker Reservation Portion	Upto [●] Equity Shares of face value of ₹ 5 each fully paid up of our company at a price of ₹ [●] per Equity share aggregating to ₹ [●] Lakhs.
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Net Issue to the Public <sup>(3)</sup>	Upto [●] Equity Shares of face value of ₹ 5 each fully paid up of our company at a price of ₹ [●] per Equity share aggregating to ₹ [●] Lakhs.
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#### Out of which\*

A. QIB Portion <sup>(4) (5)</sup>	Not more than [●] Equity Shares aggregating up to ₹ [●] Lakhs
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#### Of which

i. Anchor Investor Portion	Up to [●] Equity Shares aggregating up to ₹ [●] Lakhs
ii. Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares aggregating up to ₹ [●] Lakhs

#### Of which

(a) Available for allocation to Mutual Funds (5% of the Net QIB Portion)	Up to [●] Equity Shares aggregating up to ₹ [●] Lakhs
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(b) Balance of QIB Portion for all QIBs including Mutual Funds	Up to [●] Equity Shares aggregating up to ₹ [●] Lakhs
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B. Non-Institutional Portion	Not less than [●] Equity Shares aggregating up to ₹ [●] Lakhs
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C. Retail Portion	Not less than [●] Equity Shares aggregating up to ₹ [●] Lakhs
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#### Pre and Post – Issue Equity Shares

Equity Shares outstanding prior to the Issue	2,85,40,600 Equity Shares of face value of ₹5 each
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Equity Shares outstanding after the Issue	Up to [●] Equity Shares of face value ₹5 each
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Use of Net Proceeds by our Company	Please see the chapter titled “ <i>Objects of the Issue</i> ” on page 80.
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\* Subject to finalization of the Basis of Allotment. Number of shares may need to be adjusted for lot size upon determination of issue price.

#### Notes:

1. The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post – issue paid up equity share capital of our company are being offered to the public for subscription.
2. The present Issue has been authorized pursuant to a resolution by our Board of Directors at its meeting held on July 30, 2024 and by the Shareholders of our company, vide a special resolution passed pursuant to Section 62 (1) I of the Companies Act, 2013 at their Extra ordinary general meeting held on August 03, 2024.
3. The SEBI ICDR Regulations permit the issue of securities to the public through the Book Building Process, which states that, not less than 15 % of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders and not more than 50% of the Net Issue shall be allotted on a proportionate basis to QIBs, subject to valid Bids being received at or above the Issue Price. Accordingly, we have allocated the Net Issue i.e. not more than 50% of the Net Issue to QIB and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors and not less than 15% of the Net Issue shall be available for allocation to Non-institutional bidders.

4. *Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.*
5. *Our Company may, in consultation with the Book Running Lead Manager, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids.*
6. *In the event of over-subscription, allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price. Allocation to investors in all categories, except the Retail Portion, shall be made on a proportionate basis subject to valid bids received at or above the Issue Price. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, and subject to availability of Equity Shares in the Retail Portion, the remaining available Equity Shares, if any, shall be allocated on a proportionate basis.*
7. *SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹ 5 lakhs, shall use UPI. Individual investors bidding under the Non- Institutional Portion bidding for more than ₹ 2 lakhs and up to ₹ 5 lakhs, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.*

*For details, including grounds for rejection of Bids, refer to “Issue Structure” and “Issue Procedure” beginning on pages 316 and 320, respectively. For details of the terms of the Issue, see “Terms of the Issue” on page 308.*

## SUMMARY FINANCIAL STATEMENTS

### Restated Consolidated Summary of Assets & Liabilities

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	2,163.85	409.54	31.69
Intangible Assets			
Capital work-in-progress	-	390.40	67.94
Financial Assets			
Other Financial Assets	193.53	22.01	16.45
Deferred Tax Assets (Net)	-	-	-
Other Non-Current Assets	31.00	-	-
<b>Total Non Current Assets</b>	<b>2,388.38</b>	<b>821.95</b>	<b>116.08</b>
<b>Current Assets</b>			
Inventories	353.58	55.43	99.83
Financial Assets			
Loans	-	-	1.51
Trade Receivables	845.58	323.20	74.14
Cash and Cash Equivalents	199.72	97.95	5.22
Other Financial Assets	7.28	-	-
Other Current Assets	54.99	164.61	11.41
<b>Total Current Assets</b>	<b>1,461.14</b>	<b>641.19</b>	<b>192.12</b>
<b>Total Assets</b>	<b>3,849.52</b>	<b>1,463.14</b>	<b>308.20</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	388.28	228.40	14.00
Other Equity	1,586.02	329.06	255.43
<b>Equity Attributable to owners of the Company</b>			
Non-Controlling Interests	5.09	-	-
<b>Total Equity</b>	<b>1,979.39</b>	<b>557.46</b>	<b>269.43</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings	831.78	502.02	-
Provisions	2.27	-	-

Deferred Tax Liabilities (Net)	28.34	1.16	0.79
<b>Total Non Current Liabilities</b>	<b>862.38</b>	<b>503.18</b>	<b>0.79</b>
<b>Current Liabilities</b>			
Financial liabilities			
Borrowings	907.16	323.36	-
Trade Payables			
Total outstanding dues of micro and small enterprises			
	-	-	-
Total outstanding dues of creditors other than micro and small enterprises			
	-	41.99	14.92
Other Financial Liabilities	74.95	0.47	0.47
Other Current Liabilities	-	23.10	21.78
Provisions	0.00	-	-
Current Tax Liabilities (Net)	25.63	13.58	0.80
<b>Total Current Liabilities</b>	<b>1,007.74</b>	<b>402.50</b>	<b>37.97</b>
<b>Total Liabilities</b>	<b>1,870.13</b>	<b>905.68</b>	<b>38.77</b>
<b>Total Equity and Liabilities</b>	<b>3,849.52</b>	<b>1,463.14</b>	<b>308.20</b>

### Restated Consolidated Summary Statement of Profit and Loss

Particulars	Year 2023-24	Year 2022-23	Year 2021-22
Revenue from Operations	4,733.42	1,623.07	458.85
Other Income	11.94	9.76	4.13
<b>Total Income (I)</b>	<b>4,745.36</b>	<b>1,632.83</b>	<b>462.99</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	2,672.80	22.43	-
Purchase of Traded Goods	5.55	1,229.05	500.77
Changes in inventories of finished goods and work-in-progress	(251.20)	44.40	(98.20)
Employee Benefits Expense	167.67	57.11	11.94
Finance Costs	120.23	30.71	-
Depreciation and Amortisation Expense	79.81	33.57	4.62
Other Expenses	431.98	159.28	30.99
<b>Total Expenses (II)</b>	<b>3,226.84</b>	<b>1,576.56</b>	<b>450.12</b>
<b>Profit Before Tax (I-II)</b>	<b>1,518.52</b>	<b>56.27</b>	<b>12.87</b>
<b>Tax Expense</b>			
(1) Current Tax	233.12	13.58	3.60
(2) Deferred Tax	27.18	0.37	1.45
(3) Current taxes relating to earlier years	-	-	0.79
<b>Profit for the year</b>	<b>1,258.23</b>	<b>42.32</b>	<b>7.03</b>
<b>Other Comprehensive Income (OCI)</b>			
Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans	-	-	-
- Fair value of Investments at fair value through OCI	-	-	-
- Gain /(Loss) on Investments designated through OCI	-	-	-
- Income tax expense / (benefit) related to items that will not be reclassified to Profit and loss	-	-	-
<b>Total Other comprehensive income (Net of Tax)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit attributable to:</b>			
Owners	1,256.97	42.32	-
Non-controlling interests	1.26	-	-

	<b>1,258.23</b>	<b>42.32</b>	<b>-</b>
<b>Other Comprehensive Income/ (Loss) attributable to:</b>			
Owners	-	-	-
Non-controlling interests	-	-	-
	-	-	-
<b>Total Comprehensive Income attributable to:</b>			
Owners	1,256.97	-	-
Non-controlling interests	1.26	-	-
	<b>1,258.23</b>	<b>-</b>	<b>-</b>
<b>Total Comprehensive Income for the Year</b>	<b>1,258.23</b>	<b>42.32</b>	<b>7.03</b>
<b>Earnings per Equity Share of Rs.10 Each</b>			
Basic (in Rs)	7.40	2.79	0.72
Diluted (in Rs)	7.40	2.79	0.72

### Restated Consolidated Summary Statement of Cash flows

Particulars	Year 2023-24	Year 2022-23	Year 2021-22
<b>Cash flow from operating activities:</b>			
<b>Net profit before tax</b>	1,518.52	56.27	12.87
<b>Adjustment to reconcile profit before tax to net cash flows</b>			
Depreciation and Amortisation Expense	79.81	33.57	4.62
Net Loss / (gain) on sale of investments measured at fair value through Profit or Loss	-	-	-
Net loss / (gain) arising on Investments measured at fair value through Profit or Loss	-	-	-
Profit on Sale of property, Plant and Equipment	-	-	-
Loss on account of Fire	-	-	-
Dividend Income	-	-	-
Provision for Employee Benefits	-	-	-
Interest received	(8.06)		
Provision for Expected Credit Losses	2.63	1.00	-
Liabilities no longer required written back	-	(2.92)	(0.02)
Liabilities no longer required written off	-	-	-
Goodwill Written off	0.26	-	-
Net unrealised foreign exchange loss/ (gain)	-	-	-
Interest expenses	120.23	30.71	-
<b>Operating profit before working capital changes</b>	<b>1713.38</b>	<b>118.64</b>	<b>17.47</b>
<b>Adjustment for</b>			
Decrease/ (Increase) in other financial assets	(23.09)	14.43	(1.45)
Decrease/ (Increase) in non current assets			
Decrease/ (Increase) in trade receivables	(525.00)	(247.14)	73.18
Decrease/ (Increase) in other current assets	109.62	(153.20)	(11.26)
Decrease/ (Increase) in Inventories	(298.15)	44.40	(98.20)
(Decrease)/ Increase in trade payables	(41.99)	27.07	5.85
(Decrease)/ Increase in Other financial liabilities	74.48	-	-
(Decrease)/ Increase in other current liabilities	(23.10)	1.32	21.78
(Decrease)/ Increase in provisions	14.22	12.78	(1.89)
<b>Cash generated from operations</b>	<b>1000.36</b>	<b>(181.69)</b>	<b>5.48</b>
Direct taxes paid (net)	(233.12)	(13.58)	(3.60)
<b>Net cash generated from operating activities</b>	<b>767.25</b>	<b>(195.27)</b>	<b>1.89</b>



<b>Cash Used in investing activities</b>			
Purchase of property, plant and equipment and Intangible assets, Capital Work in Progress	(1,474.73)	(739.39)	(70.48)
Proceeds from sale of property, plant and equipment	-	5.51	-
Purchase of Investment Property	-	-	-
Sale (Purchase) of Investments (Net)	-	-	-
(Increase)/ Decrease in Term Deposits (Net)	(155.70)	(20.00)	-
Dividend Received	-	-	-
Interest received	8.06	-	-
<b>Net Cash used in investing activities</b>	<b>(1622.36)</b>	<b>(753.88)</b>	<b>(70.48)</b>
<b>Cash Used in financing activities</b>			
Loans Given	-	1.51	28.89
Receipt (Repayment) in Borrowings	913.56	825.38	(195.80)
Principal Payment of Lease Liabilities	-	-	-
Receipt from issue of Shares	159.88	245.70	-
Receipt from Share Application Money Pending Allotment Transactions Non Controlling Interest	3.67	-	-
Dividend Paid	-	-	-
Interest paid	(120.23)	(30.71)	-
<b>Net Cash used in financing activities</b>	<b>956.88</b>	<b>1,041.88</b>	<b>73.39</b>
<b>Net Increase in cash and cash equivalent ( A+B+C)</b>	<b>101.77</b>	<b>92.73</b>	<b>4.79</b>
<b>Cash and Cash equivalents (Refer Note 11 for components of Cash and Cash Equivalent)</b>			
At the beginning of the year	97.95	5.22	0.42
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	-	-	-
At the end of the year	<b>199.72</b>	<b>97.95</b>	<b>5.22</b>

## GENERAL INFORMATION

Our Company was originally incorporated as ‘Neetu Yoshi Private Limited’, a private limited company under Companies Act, 2013, pursuant to a certificate of incorporation dated January 20, 2020 issued by the Registrar of Companies, Uttarakhand. Thereafter, our Company was converted into a public limited company pursuant to a resolution passed by our Board at its meeting held on March 04, 2024 and special resolution passed by our shareholders at an Extra-ordinary General meeting held on March 9, 2024 and consequent upon conversion, the name of our Company was changed from ‘Neetu Yoshi Private Limited’ to ‘Neetu Yoshi Limited’ vide a fresh certificate of incorporation dated May 18, 2024 issued by the Registrar of Companies, Uttarakhand.

**Corporate Identity Number:** U35999UR2020PLC010670

**Registration Number:** 010670

### Registered Office of our Company

2/155, Jakhan, Rajpur Road,  
Dehradun, Uttarakhand - 248001  
**Telephone:** 9258199664  
**Website:** [www.neetuyoshi.com](http://www.neetuyoshi.com)

For details of change in our Registered office, see “*History and Certain Corporate Matters*” on page 156.

### Registrar of Companies

Our Company is registered with the Registrar of Companies, Uttarakhand situated at Dehradun at the following address:

### Registrar of Companies, Uttarakhand at Dehradun

Mezzanine Floor 78, Rajpur Road,  
Office No. 259, Shri Radha Palace,  
Dehradun The Mall, Uttarakhand - 248001

### Board of Directors of our Company

The following table sets out the details of our Board as on the date of this Draft Red Herring Prospectus:

Name And Designation	DIN	Address
Mr. Himanshu Lohia <i>Managing Director</i>	08564450	21/155, Jakhan Adhoiwala, Rajpur Road, Dehradun City, Uttarakhand, 248001
Mr. Subodh Lohia <i>Whole-Time Director</i>	08564451	21/155, Jakhan Adhoiwala, Rajpur Road, Dehradun City, Uttarakhand, 248001
Mrs. Saundarya Lohia <i>Non-Executive Director</i>	10569126	21/155, Jakhan, Dehradun, Uttarakhand - 248001
Ms. Jyoti Sudhir <i>Independent Director</i>	05117740	C2 801 Water Lily, S G Highway, Adani Shantigram, Vaishnodevi Circle, Khodiyar, Ahmedabad -382421, Gujarat
Mr. Kumar Sharat Chandra <i>Independent Director</i>	09713628	C 804, Rail Vihar, Sector Alpha 1, Near Commercial Belt, Greater Noida, Gautam Buddha Nagar, Uttar Pradesh 201310

For further details of our Board of Directors, see “*Our Management*” beginning on page 160.

## **Company Secretary and Compliance Officer**

**Pranjul Gupta**

### **Address:**

2/155, Kakhan, Rajpur Road  
Dehradun, Uttarakhand 248001

**Telephone:** 9258199664

**E-mail id:** cs@neetuyoshi.com

## **Investor Grievances**

**Investors can contact the Company Secretary and Compliance Officer, the Book Running Lead Managers 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.**

All grievances, other than of Anchor Investors may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the Bid-cum Application Form was submitted, giving full details such as name of the sole or First Bidder, Bid cum Application Form number, Bidder's DP ID, Client ID, PAN, address of Bidder, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Bid Amount was blocked or the UPI ID (for UPI Bidders who make the payment of Bid Amount through the UPI Mechanism), date of Bid cum Application Form and the name and address of the relevant Designated Intermediary where the Bid was submitted. Further, the Bidder shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Bids submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue.

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

## **Book Running Lead Manager**

### **Horizon Management Private Limited**

19 R.N. Mukherjee Road

Main Building, 2<sup>nd</sup> floor

Kolkata 700 001

West Bengal, India

**Telephone:** +91 033-46000607

**Facsimile:** +91 33 4600 0607

**Email ID:** smeipo@horizon.net.co

**Website:** [www.horizonmanagement.in](http://www.horizonmanagement.in)

**Investor Grievance ID:** [investor.relations@horizon.net.co](mailto:investor.relations@horizon.net.co)

**Contact Person:** Manav Goenka

**SEBI Registration Number:** INM000012926

## **Syndicate Member**

[•]

## **Statement of Interse Allocation of the Book Running Lead Manager**

Horizon Management Private Limited being the sole Book Running Lead Manager will be responsible for all the

responsibilities related to co-ordination and other activities in relation to the Issue. Hence, a statement of interse allocation of responsibilities is not required.

#### **Legal Counsel to the Company as to Indian Law**

##### **Vidhigya Associates, Advocates**

**Address:** 501, 5th Floor, Jeevan Sahakar Building

Sir P M Road, Homji Street Fort

Mumbai – 400 001, Maharashtra, India

**Correspondence Address:** A-105, Kanara Business Centre, Link Road,

Laxmi Nagar, Ghatkopar East, Mumbai -400075

**Telephone:** +91 84240 30160

**Email:** rahul@vidhigyaassociates.com

**Contact Person:** Rahul Pandey

#### **Registrar to the Issue**

##### **Skyline Financial Services Private Limited**

D-153A, 1st Floor, Okhla Industrial Area,

Phase-- I, New Delhi-110020, India

**Telephone:** +91 011-2681-2683

**E-mail:** [ipo@skylinerta.com](mailto:ipo@skylinerta.com)

**Investor grievance email:** [grievances@skylinerta.com](mailto:grievances@skylinerta.com)

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

**Contact Person:** Anuj Rana

**SEBI Registration No:** INR000003241

#### **Bankers to the Issue / Refund Bank / Sponsor Bank**

The Bankers to the Issue / Refund Bank / Sponsor Bank will be appointed prior to filing of the Red Herring Prospectus with the RoC.

#### **Bankers to the Company**

##### **Small Industrial Development Bank of India (SIDBI)**

**Address:** 111/68/1, Dharampur IInd, Nehru Colony,

Near Suvidh Super Store, Dehradun,

Uttarakhand - 248001

**Telephone:** 0135-3508894

**E-mail:** [dehradun@sidbi.in](mailto:dehradun@sidbi.in)

**Contact Person:** Santosh Kumar Sinha, DGM

**Website:** [www.sidbi.in](http://www.sidbi.in)

##### **Central Bank of India**

**Address:** Nalapani Chowk,

Sahastradhara road Dehradun,

**Telephone:** 8859502175

**E-mail:** [bmdehr3709@centralbank.co.in](mailto:bmdehr3709@centralbank.co.in)

**Contact Person:** Upasana Diyoundi (Assistant Manager)

**Website:** [www.centralbank.co.in](http://www.centralbank.co.in)

#### **Escrow Collection Bank(s), Public Issue Account Bank, Refund Bank and Sponsor Bank**

The Escrow Collection Bank, Public Issue Account Bank Refund Bank/ Sponsor Bank shall be appointed prior to filing of the Red Herring Prospectus with the Registrar of Companies, Uttarakhand.

## **Designated Intermediaries**

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

The list of SCSBs is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> on the website of SEBI, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which a Bidder (other than an Anchor Investor), not bidding through Syndicate/Sub Syndicate or 87 through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> on the SEBI website, and at such other websites as may be prescribed by SEBI from time to time.

### **Self-Certified Syndicate Banks enabled for UPI Mechanism**

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appear on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, and updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.

### **Syndicate SCSB Branches**

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

### **Registered Brokers**

Bidders can submit ASBA Forms in the Issue using the stock broker network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers eligible to accept ASBA Forms, including details such as postal address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.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 e-mail address, is provided on the websites of the Stock Exchanges at [www.bseindia.com/Static/Markets/PublicIssues/Rtadp.aspx?](http://www.bseindia.com/Static/Markets/PublicIssues/Rtadp.aspx?) and [www.nseindia.com/products/content/equities/ipo/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipo/asba_procedures.htm) respectively, as updated from time to time.

### **Collecting Depository Participants**

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as their name and contact details, is provided on the websites of the Stock Exchanges at [www.bseindia.com/Static/Markets/PublicIssues/Rtadp.aspx?](http://www.bseindia.com/Static/Markets/PublicIssues/Rtadp.aspx?) and

[www.nseindia.com/products/content/equities/ipo/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipo/asba_procedures.htm), respectively, as updated from time to time.

### Statutory Auditor to our Company

#### BAGARIA & CO. LLP

**Address:** 701, Stanford, Junction of S.V. Road,  
& Barfiwala Marg, Andheri West,  
Mumbai-400058, Maharashtra.

**Tel:** +91 (22) 62505600

**E-mail:** vinay@bagariaco.com

**ICAI Firm Registration Number:** 113447W/W100019

**Peer Review Number:** 014670

### Changes in Auditors

Except as stated below, there have been no changes in the statutory auditors of our Company during the three years immediately preceding the date of this Draft Red Herring Prospectus.

Name of Auditor	Address and E-mail	Date of Appointment/ Cessation	Reason
M/s. Deepak Indu Jain & Co.	G-13, First Floor, Janpath Complex, Chakrata Road, Dehradun, Uttarakhand – 248001	Cessation	Pre occupation of work
M/s. N Kumar Gupta & Associates	74/1 Nari Shilp Mandir Marg, Dehradun, Uttarakhand -248001	Appointment	Appointment as Statutory Auditor
M/s. N Kumar Gupta & Associates	74/1 Nari Shilp Mandir Marg, Dehradun, Uttarakhand -248001	Cessation	Pre-occupation and time constraint
M/s Bagaria & Co. Llp	701, Stanford, Junction of S.V. Road, & Barfiwala Marg, Andheri West, Mumbai-400058, Maharashtra	Appointed in Casual Vacancy	Appointment as Statutory Auditor

### Grading of the Issue

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

### Expert

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

Our Company has received written consent dated September 13, 2024 from, Chartered Accountants to include their name as required under section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditor, and in respect of Examination Report dated August 28, 2024 on our Restated Consolidated Financial Information and such consent has not been withdrawn as on the date of filing of this Draft Red Herring Prospectus.

However, the term “expert” and the consent thereof shall not be construed to mean an “expert” or consent within the meaning under the U.S. Securities Act, as amended (the “U.S. Securities Act”).

### Monitoring Agency

As per Regulation 262(1) of the SEBI (ICDR) Regulations, 2018 as amended, the requirement of Monitoring

Agency is not mandatory if the Issue size is below ₹10,000.00 Lakhs. Since the size of the Issue does not exceed one hundred crore rupees, we are not required to appoint monitoring agency.

Our Company has not appointed any monitoring agency for this Issue. However, pursuant to Regulation 32(3) of the SEBI LODR Regulations, 2015, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a fiscal, we will utilize such unutilized amount in the next fiscal.

Further, in accordance with Regulation 32(1)(a) of the SEBI LODR Regulations, 2015, our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Draft Red Herring Prospectus.

### **Appraising Entity**

Our Company has not appointed any appraising agency.

### **Credit Rating**

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

### **Green Shoe Option**

No green shoe option is contemplated under the Issue.

### **Debenture trustees**

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

### **Filing of Draft Red Herring Prospectus / Red Herring Prospectus / Prospectus**

The Draft Red Herring Prospectus is being filed with BSE Limited, Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India.

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

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

### **Book Building process**

Book building, in the context of the Issue, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms (and the Revision Forms) within the Price Band, which will be decided by our Company, in consultation with the Book Running Lead Managers in accordance with the Book Building Process, and will be advertised in all editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and

[●] editions of [●] (a widely circulated Hindi newspaper, Hindi being the regional language of Uttarakhand where our registered office is located), at least two working days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Issue Price shall be determined by our Company, in consultation with the Book Running Lead Managers in accordance with Book Building process after the Bid/Issue Closing Date. For further details, see “*Issue Procedure*” on page 320.

The SEBI ICDR Regulations have permitted the offer of securities to the public through the book building process, wherein allocation to the public shall be made as per Regulation 253(1) of the SEBI ICDR Regulations.

The Issue is being made through the book building process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company may in consultation with the BRLMs allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations (the “**Anchor Investor Portion**”), out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price. At least 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price.

Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Net Issue shall be available for allocation to Retail Individual Bidders, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

All potential Bidders may participate in the Issue through an ASBA process by providing details of their respective bank account which will be blocked by the SCSBs. All Bidders are mandatorily required to utilize the ASBA process to participate in the Issue. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange.

All Bidders, other than Anchor Investors, shall only participate through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or, in the case of UPI Bidders, by using the UPI Mechanism. Anchor Investors are not permitted to participate in the Issue through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs Bidding in the Net QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. RIBs Bidding in the Retail Portion (subject to the Bid Amount being up to ₹200,000) and Eligible Employees Bidding in the Employees Reservation Portion can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date. Further, Anchor Investors are not allowed to revise and withdraw their Bids after the Anchor Investor Bid/Issue Period. Except for Allocation to RIBs, Non-Institutional Investors and the Anchor Investors, Allocation in the Issue will be on a proportionate basis. Allocation to the Anchor Investors will be on a discretionary basis.

The Book Building Process under the SEBI ICDR Regulations and the Bidding process are subject to change from time to time and Bidders are advised to make their own judgment about investment through this process prior to submitting a Bid in the Issue.

Bidders should note that the Issue is also subject to obtaining (i) final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment within six Working Days of the Bid/Issue Closing Date or such other time period as prescribed under applicable law.

For further details on the method and procedure for Bidding, see “*Issue Structure*” and “*Issue Procedure*” on pages 316 and 320, respectively.



Our Company will comply with the SEBI ICDR Regulations and any other directions issued by SEBI in relation to this Issue. In this regard, our Company have appointed the Book Running Lead Manager to manage this Issue and procure Bids for this Issue.

### Illustration of Book Building Process and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see “*Terms of the Issue*” and “*Issue Procedure*” on pages 308 and 320, respectively.

### Underwriting Agreement

Our Company and Book Running Lead Managers to the Issue hereby confirm that the Issue is 100% underwritten. The underwriting agreement is dated [●] and pursuant to the terms of the underwriting agreement, obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite following number of specified securities being offered through this Issue.

Name of the Underwriter	Details of the Underwriter	No. of Shares Underwritten*	Amount Underwritten	% of the total Issue Size Underwritten
[●]	[●]	[●]	[●]	[●]
[●]	[●]	[●]	[●]	[●]

\*Includes [●] Equity shares of Rs. 5.00 each for the cash of the Market Maker Reservation Portion which are to be subscribed by the Market Maker vide their agreement dated [●] in order to comply with the requirements of Regulation 261 of the SEBI ICDR Regulations.

In terms of Regulation 260(1) of the SEBI ICDR Regulations, the initial public offer shall be underwritten for hundred per cent (100%) of the Issue and shall not be restricted up to the minimum subscription level. As per Regulation 260(2) of SEBI ICDR Regulations, the Book Running Lead Managers has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account.

In the opinion of the Board of Directors of our Company, the resources of the above-mentioned Underwriter are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriter is registered with SEBI or registered as brokers with the Stock Exchange(s).

### Details of Market Making Arrangement

Our Company and the Book Running Lead Managers have entered into Market Making Agreement dated [●] with the following Market Maker to fulfill the obligations of market making for this Issue:

<b>Name</b>	[●]
<b>Address</b>	[●]
<b>Telephone</b>	[●]
<b>E-mail</b>	[●]
<b>Contact Person</b>	[●]
<b>SEBI Registration No.</b>	[●]
<b>Market Maker Registration No.</b>	[●]

[●], registered with SME platform of BSE Limited, will act as the market maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified in SEBI ICDR Regulations as amended from time to time.

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

*In terms of Regulation 261(1) of SEBI ICDR Regulations, the market making arrangement through the Market Maker will be in place for a period of three years from the date of listing of our Equity Shares and shall be carried out in accordance with SEBI ICDR Regulations and the circulars issued by the Designated Stock Exchange and SEBI regarding this matter from time to time.*

*In terms of Regulation 261(2) of SEBI ICDR Regulations, the Market Maker or Issuer, in consultation with the Book Running Lead Manager may enter into agreements with the nominated investors for receiving or delivering the specified securities in market making, subject to the prior approval of the Designated Stock Exchange.*

*In terms of regulation 261(3) of SEBI ICDR Regulations, flowing is a summary of the key details pertaining to the Market Making arrangement:*

The Market Maker “[●]”, shall be required to provide a two-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker(s) shall inform the Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).

The prices quoted by Market Maker shall be in compliance with the market maker spread requirements and other particulars as specified or as per the requirements of Designated Stock Exchange and SEBI from time to time.

The minimum depth of the quote shall be ₹ [●]. However, the investors with holdings of value less than ₹ [●] shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

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

There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, Designated Stock Exchange may intimate the same to SEBI after due verification.

The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on [●] (in this case currently the minimum trading lot size is [●] Equity Shares; however, the same may be changed by the [●] from time to time).

The shares of the Company will be traded in Trade for Trade Segment for the first 10 days from commencement of trading (as per SEBI Circular no: CIR/MRD/DP/ 02/2012 dated January 20, 2012) on the SME Platform of BSE Limited and market maker will remain present as per the guidelines mentioned under the Designated Stock Exchange and SEBI circulars.

The Market Maker shall start providing quotes from the day of the listing / the day when designated as the Market Maker for the respective scrip and shall be subject to the guidelines laid down for market making by the SEBI. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

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

In terms of regulation 261(6) of SEBI ICDR Regulations, Market Maker shall not buy the Equity Shares from the Promoters or persons belonging to Promoter Group of the Company or any person who has acquired equity shares from such Promoters or person belonging to Promoter Group, during the compulsory market making period.

In terms of regulation 261(7) of SEBI ICDR Regulations, the Promoters’ holding of the Company shall not be eligible for offering to the Market Maker during the compulsory market making period. However, the promoters’ holding of our Company which is not locked-in as per the SEBI ICDR Regulations, can be traded with prior

permission of the BSE SME, in the manner specified by SEBI from time to time.

The Book Running Lead Managers may be represented on the Board of the Issuer Company in compliance with Regulation 261 (8) of SEBI ICDR Regulations.

The Market Maker shall not be responsible to maintain the price of the Equity Shares of the Issuer Company at any particular level and is purely supposed to facilitate liquidity on the counter of our Company via its 2-way quotes. The price of the Equity Shares shall be determined and be subject to market forces.

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

**Punitive Action in case of default by Market Maker:** The SME platform of BSE Limited will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case they are not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines /suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

The Market Maker shall have the right to terminate said arrangement by giving 3 (three) months' notice or on mutually acceptable terms to the Book Running Lead Managers, who shall then be responsible to appoint a replacement Market Maker.

In case of termination of the above-mentioned market making agreement prior to the completion of the compulsory market making period, it shall be the responsibility of the Book Running Lead Managers to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI ICDR Regulations. Further the Company and the Book Running Lead Managers reserve the right to appoint other Market Maker either as a replacement of the current Market Maker or as an additional Market Maker subject to the relevant laws and regulations applicable at that particular point of time.

On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. In case equilibrium price is not discovered the price band in the normal trading session shall be based on Issue price.

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

Issue Size	Buy quote exemption threshold (Including mandatory initial inventory of 5% of the Issue size)	Re-entry threshold for buy quote (Including mandatory initial inventory of 5% of the Issue size)
Up to ₹20 Crore	[●]	[●]
₹20 to ₹50 Crore	[●]	[●]
₹50 to ₹80 Crore	[●]	[●]
Above ₹80 Crore	[●]	[●]

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

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

#### **Withdrawal of the Issue**

Our Company in consultation with the Book Running Lead Managers, reserve the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within 2 (Two) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue.

The Book Running Lead Managers, through the Registrar to the Issue, shall notify the SCSBs (in case of RII's using the UPI Mechanism), to unblock the bank accounts of the ASBA Applicants, within 1 (One) day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed.

Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals from BSE SME, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Draft Red Herring Prospectus.

## CAPITAL STRUCTURE

Details of the share capital of our Company, as on the date of this Draft Red Herring Prospectus, are set forth below.

(in ₹, except share data)

Sr. No.	Particulars	Aggregate value at face value	Aggregate value at Issue Price*
<b>A.</b>	<b>AUTHORIZED SHARE CAPITAL**</b>		
	5,00,00,000 Equity Shares of face value of ₹5 each	25,00,00,000	-
<b>B.</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE</b>		
	2,85,40,600 Equity Shares of face value of ₹5 each	14,27,03,000	-
<b>C.</b>	<b>PRESENT ISSUE IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS#</b>		
	Fresh Issue of up to 1,10,00,000 Equity Shares* of face value of ₹5 each	5,50,00,000	[●]
	<i>Which comprises of:</i>		
	Market Maker Reservation Portion of up to [●] Equity Shares of face value of ₹5 each	[●]	[●]
	Net Issue of up to [●] Equity Shares of face value of ₹5 each	[●]**#	[●]
<b>D.</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE ISSUE</b>		
	[●] Equity Shares of face value ₹5 each	[●]**	-
<b>E.</b>	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the Issue		775.77
	After the Issue###		[●]

\* Subject to finalization Basis of Allotment.

\*\* For details in relation to the changes in the authorized share capital of our Company, see “**History and Certain Corporate Matters – Amendments to our Memorandum of Association**” on page 156.

# The Issue has been authorized by our Board of Directors and our Shareholders pursuant to the resolutions passed at their meetings dated [●] and [●], respectively.

### Notes to Capital Structure

#### I. Share Capital History of our Company

Our Company has only one class of share capital i.e., Equity Shares of face value of ₹5 each. All the issued Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Draft Red Herring Prospectus.

#### 1. Equity Share capital

The history of the Equity Share capital of our Company is set forth in the table below:

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue Price per Equity Share (₹)	Nature of consideration	Nature of allotment/ transfer	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
January 17, 2020	10,000	10	10	Cash	Subscription to MOA <sup>(1)</sup>	10,000	1,00,000
June 10, 2020	1,30,000	10	10	Cash	Rights Issue <sup>(2)</sup>	1,40,000	14,00,000
January 11, 2023	11,44,000	10	25	Cash	Rights Issue <sup>(3)</sup>	12,84,000	1,28,40,000
March 28, 2023	10,00,000	10	20	Other than Cash	Rights Issue <sup>(4)</sup>	22,84,000	2,28,40,000
February 28, 2024	15,98,800	10	10	Cash	Rights Issue <sup>(5)</sup>	38,82,800	3,88,28,000
May 24, 2024	97,07,000	10	-	Other than Cash	Bonus Issue in the ratio of 25 Equity Shares for every 10 Equity Shares held <sup>(6)</sup>	1,35,89,800	13,58,98,000
May 2024	30, Pursuant to shareholders' resolution dated May 30, 2024, each Equity Share of our Company of face value of ₹10 each was split into 2 Equity Shares of face value of ₹5 each. Therefore, the issued, paid-up and subscribed share capital of our Company was sub-divided from ₹13,58,98,000 divided into 1,35,89,800 Equity Shares of ₹10 each into ₹13,58,98,000 divided into 2,71,79,600 Equity Shares of ₹5 each						
July 2024	19,13,61,000	5	62	Cash	Further Issue: Private Placement <sup>(7)</sup>	2,85,40,600	14,27,03,000

(1) Allotment of 5,000 Equity Shares to Subodh Lohia and 5,000 Equity Shares to Himanshu Lohia,

(2) Allotment of 65,000 Equity Shares to Subodh Lohia and 65,000 Equity Shares to Himanshu Lohia.

(3) Allotment of 5,72,00 Equity Shares to Subodh Lohia and 5,72,000 Equity Shares to Himanshu Lohia.

(4) Allotment of 5,00,000 Equity Shares to Subodh Lohia and 5,00,000 Equity Shares to Himanshu Lohia

(5) Allotment of 7,99,400 Equity Shares to Subodh Lohia and 7,99,400 Equity Shares to Himanshu Lohia.

(6) Allotment of 47,28,000 Equity Shares to Subodh Lohia, 47,28,000 Equity Shares to Himanshu Lohia, Allotment of 250 Equity Shares to Neelam Gupta, 2,50,000 Equity Shares to Saundarya Lohia, 250 Equity Shares to Virendra Kumar Gupta, 250 Equity Shares to Abhishek Agarwal and 250 Equity Shares to Shardha Agarwal.

(7) Allotment of 45,000 to NLB Services Private Limited, 37,500 to Shivang Agarwal, 10,500 to Rajnish Varshney, 16,500 to Leena Sanghvi, 16,500 to Ketan Shanghavi HUF, 16,500 to Akriti Arora, 45,000 to Vikas Jain, 16,500 to Priyanka Aggarwal, 16,500 to Priyanshi Jain, 10,500 to Shikhir Kapoor, 16,500 to Amit Anand, 16,500 to Radhika Chugh, 21,000 to Pundrik Sharma, 21,000 to Sulabh Jain, 37,500 to Puneet Jain, 16,500 to Manrich Singh Narang, 21,000 to Utsav Pramodkumar Shrivastav (HUF), 21,000 to Adheesh Kabra, 21,000 to Santosh Rani, 54,000 to Vishal Goel HUF, 33,000 to Sunil Kumar Gupta, 33,000 to Viney Equity Market LLP, 21,000 to HBPA Tradex Private Limited, 16,500 to Mukul Gupta, 19,500 to Sandeep Aggarwal, 9,000 to Meenakshi Arora, 9,000 to Anshu Agarwal, 9,000 to Ajay Agarwal, 10,500 to Ashok Katyal, 1,57,725 to NKGJ Trading LLP, 69,354 to Gaurav Shyamsukha, 45,161 to Jatinder Singh Chawla, 69,354 to Hemal Ashvin Shah Jointly holding with Puja Hemal Shah, 69,354 to Aditya Shyam Makharia, 77,419 to Thakkar Nidhi Sudhir, 77,419 to Thakkar Sudhir Chandulal and 1,57,714 to Manoj Kumar Mathur

## 2. Preference Share Capital

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

## II. Issue of shares for consideration other than cash or out of revaluation of reserves or by way of bonus

Except as set out below, our Company has not issued any Equity Shares for consideration other than cash or out of revaluation of reserves or by way of bonus at any time since incorporation.

<b>Date of allotment</b>	<b>Number of Equity Shares allotted</b>	<b>Face value per Equity Share (₹)</b>	<b>Issue Price per Equity Share (₹)</b>	<b>Reason for allotment</b>	<b>Benefits accrued to our Company</b>
March 28, 2023	10,00,000	10	20	Other than Cash Rights Issue <sup>(1)</sup>	Conversion of Loan into Equity
May 24, 2024	97,07,000	10	-	Bonus Issue in the ratio of 25 Equity Shares for every 10 Equity Shares held <sup>(2)</sup>	Capitalization of reserves

(1) Allotment of 5,00,000 Equity Shares to Subodh Lohia and 5,00,000 Equity Shares to Himanshu Lohia

(2) Allotment of 47,28,000 Equity Shares to Subodh Lohia, 47,28,000 Equity Shares to Himanshu Lohia, Allotment of 250 Equity Shares to Neelam Gupta, 2,50,000 Equity Shares to Saundarya Lohia, 250 Equity Shares to Virendra Kumar Gupta, 250 Equity Shares to Abhishek Agarwal and 250 Equity Shares to Shradha Agarwal.

### **III. Issue of Equity Shares pursuant to schemes of arrangement**

Our Company has not allotted any Equity Shares pursuant to a scheme of amalgamation approved under Section 391 to 394 of the Companies Act, 1956 or Sections 230 to 234 of the Companies Act, 2013.

### **IV. Issue or transfer of Equity Shares under employee stock option schemes**

The Company does not have any employee stock option schemes under which any equity shares of the Company is granted. Accordingly, no Equity Shares have been issued or transferred by our Company pursuant to the exercise of any employee stock options.

### **V. Issue of shares at a price lower than the Issue Price in the last year**

The Issue Price for the Equity Shares is ₹[●]. Except for the bonus issue of shares and Private Placement, our Company has not issued any shares in the last year. For details of the allotments made in the last one year, see “*Capital Structure – Share Capital History of Our Company – Equity Share capital*” beginning on page 71.

*[Remainder of the page has been intentionally left blank]*

## Shareholding Pattern of our Company

The table below presents the equity shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus.

Category (I)	Category of shareholder (II)	Number of shareholders (III)	Number of fully paid-up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of shares held = (IV)+(V)+(VI) (VII)	Shareholding as a % of total number of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)			Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI) = (VII)+(X) As a % of (A+B+C2)	Number of locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights Class: Equity Shares	Total	Total as a % of (A+B+C)			Number (a)	As a % of total Shares held (b)	Number (a)	As a % of total Shares held (b)	
(A)	Promoters and Promoter Group	6	2,71,79,600	0	0	2,71,79,600	95.23%	95.23%	95.23%	95.23%	0	0	0	[•]	[•]	[•]	2,71,79,600
(B)	Public	47	13,61,700	[•]	[•]	13,61,700	4.77	4.77	4.77	4.77	0	0	0	[•]	[•]	[•]	13,61,700
I	Non Promoter-Non Public	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
(C1)	Shares underlying depository receipts	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
(C2)	Shares held by employee trusts	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
	<b>Total (A+B+C)</b>	53	28540600	0	0	28540600	100%	100%	100%	100%	[•]	[•]	[•]	[•]	[•]	[•]	28540600



## Other details of shareholding of our Company

As on the date of the filing of this Draft Red Herring Prospectus, our Company has 53 Shareholders.

Set forth below are the details of the build-up of our Promoters' shareholding in our Company since incorporation:

Date of allotment/acquisition/transfer	Number of Equity Shares allotted/transferred	Face value per Equity Share (₹)	Issue Price/Consideration on per Equity Share (₹)	Nature of consideration	Nature of allotment/transfer	Cumulative number of Equity Shares	% of Pre-Issue capital (₹)*	% of Post-Issue capital (₹)	
<b>Subodh Lohia</b>									
January 20, 2020	5,000	10	10	Cash	Subscription to MOA	5,000	Negligible	[●]	
June 10, 2020	65,000	10	10	Cash	Rights Issue	70,000	Negligible	[●]	
January 11, 2023	5,72,000	10	25	Cash	Rights Issue	6,42,000	2.00	[●]	
March 28, 2023	5,00,000	10	20	Other than Cash	Rights Issue	11,42,000	1.75	[●]	
February 28, 2024	7,99,400	10	10	Cash	Rights Issue	19,41,400	2.80	[●]	
February 28, 2024	(100)	10	10	Cash	Transfer of shares to Abhishek Agarwal	19,41,300	Negligible	[●]	
February 28, 2024	(50,000)	10	10	Cash	Transfer of shares to Saundarya Lohia	18,91,300	Negligible	[●]	
February 28, 2024	(100)	10	10	Cash	Transfer of shares to Shradha Agarwal	18,91,200	Negligible	[●]	
May 24, 2024	47,28,000	10	-	Other than cash	Bonus Issue in the ratio of 25 Equity Shares for every 10 Equity Shares held	66,19,200	16.57		
May 30, 2024	Pursuant to its shareholders' resolution dated May 30, 2024, each Equity Share of our Company of face value of ₹10 each was split into 2 Equity Shares of face value of ₹5 each. Therefore, the 66,19,200 Equity Shares held by Subodh Lohia of face value ₹10 each were sub-divided into 1,32,38,400 Equity Shares of ₹5 each								
<b>Sub-total (A)</b>	<b>1,32,38,400</b>						<b>46.38</b>	<b>[●]</b>	
<b>Himanshu Lohia</b>									
January 20, 2020	5000	10	10	Cash	Subscription to MOA	5000	Negligible	[●]	
June 10, 2020	65,000	10	10	Cash	Rights Issue	70,000	Negligible	[●]	
January 11, 2023	5,72,000	10	25	Cash	Rights Issue	6,42,000	2.00	[●]	
March 28, 2023	5,00,000	10	20	Other than Cash	Rights Issue	11,42,000	1.75	[●]	
February 28, 2024	7,99,400	10	10	Cash	Rights Issue	19,41,400	2.80	[●]	
February 28, 2024	(100)	10	10	Cash	Transfer of shares to Neelam Gupta	19,41,300	Negligible	[●]	
February 28, 2024	(50,000)	10	10	Cash	Transfer of shares to Saundarya Lohia	18,91,300	Negligible	[●]	
February 28, 2024	(100)	10	10	Cash	Transfer of shares to	18,91,200	Negligible	[●]	

Date of allotment/acquisition/transfer	Number of Equity Shares allotted/transferred	Face value per Equity Share (₹)	Issue Price/Consideration on per Equity Share (₹)	Nature of consideration	Nature of allotment/transfer	Cumulative number of Equity Shares	% of Pre-Issue capital (₹)*	% of Post-Issue capital (₹)
					Virendra Kumar Gupta			
May 24, 2024	47,28,000	10	-	Other than cash	Bonus Issue in the ratio of 25 Equity Shares for every 10 Equity Shares held	66,19,200	16.57	
May 30, 2024	Pursuant to its shareholders' resolution dated May 30, 2024, each Equity Share of our Company of face value of ₹10 each was split into 2 Equity Shares of face value of ₹5 each. Therefore, the 66,19,200 Equity Shares held by Himanshu Lohia of face value ₹10 each were sub-divided into 1,32,38,400 Equity Shares of ₹5 each							
<b>Sub-total (B)</b>	<b>1,32,38,400</b>						<b>46.38</b>	<b>[•]</b>
<b>Saundarya Lohia</b>								
February 2024	28,	50,000	10	10	Cash	Transfer of shares from Subodh Lohia	50,000	Negligible [•]
February 2024	28,	50,000	10	10	Cash	Transfer of shares from Himanshu Lohia	1,00,000	Negligible [•]
May 24, 2024	2,50,000	10	-	Other than cash	Bonus Issue in the ratio of 25 Equity Shares for every 10 Equity Shares held	3,50,000	Negligible	
May 30, 2024	Pursuant to its shareholders' resolution dated May 30, 2024, each Equity Share of our Company of face value of ₹10 each was split into 2 Equity Shares of face value of ₹5 each. Therefore, the 3,50,000 Equity Shares held by Saundarya Lohia of face value ₹10 each were sub-divided into 7,00,000 Equity Shares of ₹5 each							
<b>Sub-total (C)</b>	<b>7,00,000</b>						<b>2.45</b>	<b>[•]</b>
<b>Total (A + B + C)</b>	<b>2,71,76,800</b>						<b>95.22</b>	<b>[•]</b>

\*The figures in the row have been rounded-off to the closest decimal.

Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, as on the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%)*
1.	Himanshu Lohia	1,32,38,400	46.38
2.	Subodh Lohia	1,32,38,400	46.38
3.	Saundarya Lohia	7,00,000	2.45
	<b>Total</b>	<b>2,71,76,800</b>	<b>95.22</b>

\*Rounded off to the closest decimal

Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, as of 10 days prior to the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%)*
4.	Himanshu Lohia	1,32,38,400	46.38
5.	Subodh Lohia	1,32,38,400	46.38

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%) <sup>*</sup>
6.	Saundarya Lohia	7,00,000	2.45
	<b>Total</b>	<b>2,71,76,800</b>	<b>95.22</b>

*\*Rounded off to the closest decimal*

Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, on a fully diluted basis, as of one year prior to the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%) <sup>*</sup>
1.	Himanshu Lohia	11,42,000	50.00
2.	Subodh Lohia	11,42,000	50.00
	<b>Total</b>	<b>22,84,000</b>	<b>100.00</b>

*\*Rounded off to the closest decimal*

Set forth below is a list of Shareholders holding 1% or more of the paid-up Share Capital of our Company, on a fully diluted basis, as of two years prior to the date of this Draft Red Herring Prospectus.

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%) <sup>*</sup>
1.	Himanshu Lohia	70,000	50.00
2.	Subodh Lohia	70,000	50.00
	<b>Total</b>	<b>1,40,000</b>	<b>100.00</b>

*\*Rounded off to the closest decimal*

#### The aggregate shareholding of the Promoters and Promoter group

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Pre-Issue Equity Share capital (%) <sup>*</sup>	Percentage of the Post-Issue Equity Share capital (%)
<b>Promoters</b>				
1.	Himanshu Lohia	1,32,38,400	46.38	[●]
2.	Subodh Lohia	1,32,38,400	46.38	[●]
3.	Saundarya Lohia	7,00,000	2.45	[●]
	<b>Sub-total (A)</b>	<b>2,71,76,800</b>	<b>95.22</b>	<b>[●]</b>
<b>Promoter Group</b>				
8.	Neelam Gupta	700	Negligible	[●]
9.	Virendra Kumar Gupta	700	Negligible	[●]
10.	Shradha Agarwal	700	Negligible	[●]
	<b>Sub-total (B)</b>	<b>2,100</b>	Negligible	<b>[●]</b>
	<b>Total</b>	<b>2,71,78,900</b>	<b>95.23</b>	<b>[●]</b>

*\*Rounded off to the closest decimal*

#### The number of specified securities purchased or sold by the Promoter Group and/ or by the Directors of our Company and their relatives in the preceding six months.

There has been no purchase or sale of securities by our Promoters and Promoter Group or by the Directors of our Company and their relatives in the preceding six months from the date of this Draft Red Herring Prospectus.

#### Details of lock-in

Pursuant to the Regulation 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20% of the Post-Issue Equity Share Capital held by our Promoter shall be considered as promoter's contribution ("Promoter's Contribution") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided

to the Stock Exchange before listing of the Equity Shares.

Name of Promoters	Number of Equity Shares locked-in	Date of allotment of Equity Shares and when made fully paid-up	Nature of transaction	Face Value per Equity Share (₹)	Issue / Acquisition price per Equity Share (₹)	Percentage of the pre-Issue paid-up capital (%)	Percentage of the post-Issue paid-up capital (%)	Date up to which Equity Shares are subject to lock-in
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
<b>Total</b>	[•]				[•]	[•]	[•]	

The shareholding of the Promoters in excess of 20% of the fully diluted Post-Issue Equity Share capital shall be locked in for a period of one year from the date of Allotment.

All the Equity Shares held by our Promoters are in dematerialized form.

The Equity Shares held by shareholders other than promoter shall be locked-in for a period of one (1) year from the date of Allotment in the Issue except for any Equity Shares held by the eligible employees (whether currently employees or not and including the legal heirs or nominees of any deceased employees or ex-employees, the same may be transferred to any other person holding the Equity Shares which are locked-in, subject to continuation of the lock-in in the hands of transferees for the remaining period (and such transferees shall not be eligible to transfer until the expiry of the lock-in period) and compliance with the Takeover Regulations.

In this connection, please note that:

The Equity Shares issued for Promoter's contribution do not include (i) Equity Shares acquired in the three immediately preceding years for consideration other than cash and revaluation of assets or capitalization of intangible assets was involved in such transaction, (ii) Equity Shares resulting from bonus issue by utilization of revaluation reserves or unrealized profits of our Company or bonus shares issued against Equity Shares, which are otherwise ineligible for computation of minimum Promoter's contribution.

The minimum Promoter's contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being issued to the public in the Issue.

Our Company has not been formed by the conversion of one or more partnership firms or a limited liability partnership firm.

As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters are pledged.

In terms of Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by our Promoters which are locked-in as per Regulation 238 of the SEBI ICDR Regulations, may be transferred to the other Promoters or any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period (and such transferees shall not be eligible to transfer until the expiry of the lock-in period) and compliance with provisions of the Takeover Regulations.

Further, in terms of Regulation 243 of the SEBI ICDR Regulations, Equity Shares held by persons (other than our Promoters) prior to the Issue and locked-in for a period of one year, may be transferred to any other person holding Equity Shares which are locked-in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock-in with the transferee for the remaining period (and such transferees shall not be eligible to transfer until the expiry of the lock-in period) and compliance with the provisions of the Takeover Regulations.

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

Except for the allotment of Equity Shares pursuant to the Issue, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares), whether on a preferential basis, or by way of issue of bonus shares, or on a rights basis, or by way of further public issue of Equity Shares, or otherwise. However, if our Company enters into acquisitions, joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisitions or participation in such joint ventures.

There will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or all application moneys have been refunded to the Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc., as the case may be.

Our Company, our Directors and the Book Running Lead Manager have no existing buy-back arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Issue.

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

As on the date of this Draft Red Herring Prospectus, the Book Running Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Book Running Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

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

Our Company shall ensure that transactions in the Equity Shares by the Promoter Group between the date of filing the draft offer documents with the Registrar of Companies and the Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.

No person connected with the Issue, including, but not limited to, the Book Running Lead Manager, the members of the Syndicate, our Company and Directors shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Investor for making an Application.

There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

## OBJECTS OF THE OFFER

The Issue comprises of fresh Issue of up to 1,10,00,000\* Equity Shares of our Company at an Issue Price of ₹ [●] per Equity Share, aggregating up to ₹ [●] lakhs by our Company. The proceeds from the Issue after deducting Issue related expenses are estimated to be ₹ [●] lakhs (the “Net proceeds”).

*\*Subject to finalisation of basis of allotment*

### Issue

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

1. Setting up of new manufacturing facility
2. General corporate purposes.

(Collectively, referred to herein as the “Objects”)

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

The main objects and the objects incidental and ancillary to the main objects of our Memorandum of Association enable our Company to undertake our existing business activities and to undertake the activities for which the funds are being raised in the Issue.

### Net Proceeds

The details of the net proceeds of the Fresh Issue are summarised in the table below:

	<i>(₹ in lakhs)</i>
<b>Particulars</b>	<b>₹ in lakhs</b>
Gross Proceeds	[●]
Less: Issue related expenses*	[●]
Net Proceeds**	[●]

\*Please see “Issue Related Expenses” below

\*\* To be finalised upon determination of the Issue Price and updated in the Prospectus prior to the filing with the RoC.

### Requirement of Funds and Utilisation of Net Proceeds

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

		<i>(₹ in lakhs)</i>
<b>Sr. No.</b>	<b>Particulars</b>	<b>Estimated amount</b>
1.	Setting up of new manufacturing facility	5,074.72.
2.	General corporate purposes <sup>(1)</sup>	[●]

<sup>(1)</sup>To be finalized on 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 Gross Proceeds of the Issue.

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

### 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)

Sr. No.	Particulars	Total Estimated Amount	Amount to be funded from the Net Proceeds	Estimated Amount to be deployed from Net Proceeds in Financial Years ending March 31, 2025	Estimated Amount to be deployed from the Net Proceeds in Financial Year ending March 31, 2026
1.	Setting up of new manufacturing facility	5,074.72	5,074.72	3,670.00	1,404.72
2.	General corporate purposes*	[•]	[•]		[•]
3.	<b>Total</b>	[•]	[•]		[•]

\*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 Gross Proceeds from the Fresh Issue.

Moreover, if the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the gross proceeds from the Fresh Issue in accordance with Regulation 230(2) of the SEBI ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds or an increase in the total estimated cost of the Objects, business considerations may require us to explore a range of options including utilising our internal accruals, general corporate purposes and seeking additional debt from existing and future lender. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in the Fresh Issue. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects, per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in subsequent Financial Years towards the aforementioned Objects.

For further details of factors that may affect these estimates, please see “**Risk Factors**” beginning on page 29.

### Means of finance

As indicated above, our Company proposes to deploy the entire Net Proceeds towards the objects as described above during the Financial Year ending March 31, 2025 and March 31, 2026. However, if the Net Proceeds are not completely utilised for the objects stated above in the Financial Year ending March 31, 2025 and March 31, 2026 due to factors such as (i) economic and business conditions; (ii) increased competition; (iii) market conditions outside the control of our Company and its management; and (iv) other commercial considerations such as availability of alternate financial resources, the same would be utilised (in part or full) in a subsequent period as may be determined by our Company in accordance with applicable law. Our Company may, however, propose to utilize the proceeds prior to the specific dates mentioned in the schedule of deployment, in accordance with requirements of our Company. Any such change in our plans may require rescheduling of our expenditure programs and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Net Proceeds. For further details, please see “**Risk Factors**” beginning on page 29.

The fund requirements for all the Objects of the Issue are proposed to be entirely funded from the Net Proceeds. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance under Regulation 230(1)(e) the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue or through existing identifiable internal accruals.

### Details of the Objects

The details of the Objects of the Issue are set out below:

1. **Setting up of new manufacturing facility**

Our Company is a metallurgical engineering company, Approved and certified as “Class A” company by RDSO (Research Design and Standard Organisation of Railways) for various type of safety parts for braking, coupling, suspension & propolation for bogies and coupler for Indian Railways. Our Manufacturing Facility is situated at Khasara No. 255/256, Fakkarhedi, Bhagwanpur, uttarakhand. Our Manufacturing Facility comprise of a single location unit having installed capacity of 4,493 metric tonnes per annum as on March 31, 2024 and as on the date of this Draft Red Herring Prospectus the installed capacity has been expanded to 8,087 metric tonnes per annum (“MTPA”). Our manufacturing technology offers high operational efficiency to manufacture customised products as per customer’s specification. We believe that our Company’s manufacturing technology, trained work force and managerial expertise results in a consistent level of productivity.

As a part of growth strategy, we intend to make forward integration by expanding our manufacturing capabilities in the railway industry by manufacturing complete boggies and couplers for high speed trains of Indian railways. As a part of such investment, we intend to incur expenditure from Net Proceeds of the Issue towards civil and structural work for an amount of Rs. 1,066.70 Lakhs and purchase of various plant and machinery for an amount of Rs. 4,008.02 Lakhs totalling to Rs. 5,074.72 Lakhs. The proposed project will be set up on a land for which the Company has entered into agreement for sale dated August 14, 2024 situated at Village- 241 Bhailamau, Tehsil Kanpur Sadar, district- Kanpur Nagar, Uttar Pradesh-209305.

#### **Estimated Civil and Structural Cost:**

The breakup of cost to be incurred on the civil and structural works is as follows:

Sr. No.	Particulars	Quantity (in cum/sq mts, kgs, Nos, point, metre, each)	Amount (₹ in lakhs)	Vendor	Date of Quotation
	Industrial SHED (174 NOS) : GROUND FLOOR			COX Infratec h Pvt Ltd	August 20, 2024
1.	2.8 Earth work in excavation by mechanical means (Hydraulic excavator)/manual means in foundation trenches or drains (not exceeding 1.5 m in width or 10 sqm on plan), including dressing of sides and ramming of bottoms, lift upto 1.5 m, including getting out the excavated soil and disposal of surplus excavated soil as directed within a lead of 50	1,165.14	3.31		
	2.8.1, All kinds of soil				
2.	4.1. Providing and laying in position cement concrete of specified grade excluding the cost of centering and shuttering - All work up to plinth level (a) 4.1.3. 1:24 (1 cement 2 coarse sand (zone-III) 4 graded stone aggregate 20 mm nominal size)	210.69	16.12		
3.	4.1. Providing and laying in position cement concrete of specified grade excluding the cost of centering and shuttering-All work up to plinth level: (b) 4.1.8, 1.48 (1 Cement 4 coarse sand (zone-III): 8 graded stone aggregate 40 mm nominal size)	1,610.10	105.07		
4.	5.1.2, Providing and laying in position specified grade of reinforced cement concrete, excluding the cost of centering, shuttering finishing and reinforcement - All work up to p vel: 1:1.5:3 (1 cement: 1.5 coarse sand (zone-III) 3 graded stone aggregate 20 mm nominal size) (a) 5.1.2. All works upto plinth level	294.48	25.62		
5.	5.2.2, Reinforced cement concrete work in walls (any thickness), including attached pilasters, buttresses plinth	216.63	22.72		



Sr. No.	Particulars	Quantity (in cum/sq mts, kgs, Nos, point, metre, each)	Amount (₹ in lakhs)	Vendor	Date of Quotation
	and string courses fillets, columns, pillars, piers, abutments, posts and struts etc, above plinth level up to floor five level, excluding cost of centering, shuttering, finishing and reinforcement: 1:1:15:3 (1 cement: 1.5 coarse sand(zone-II) 3 graded stone aggregate 20 mm nominal size				
6.	5.9. Centering and shuttering including strutting, propping etc and removal of form for(a) 5.9.1. Foundations, footings, bases of columns, etc. for mass concrete	1,001.16	3.21		
7.	(d) 5.9.5. Lintels, beams, plinth beams, girders, bressumers and cantilevers	2,003.31	12.46		
8.	(e) 5.9.6, Columns, Pillars, Piers, Abutments, Posts and Struts	1,458.00	12.06		
9.	5.22, Steel reinforcement for R.C.C. work including straightening, cutting, bending, placing in position and binding all complete upto plinth level 5.22.6, Thermo-Mechanically Treated bars of grade Fe-5000 or more	11,11,636.00	105.07		
10.	6.1, Brick work with common burnt clay F.P.S. (non modular) bricks of class designation 7 5 in foundation and plinth in. 6.1.2. Cement mortar 1:6 (1 cement 6 coarse sand)	159.48	11.07		
11.	6.4. Brick work with common burnt clay F.P.S. (non modular) bricks of class designation 7.5 in superstructure above plinth level up to floor V level in all shapes and sizes in: 6.4.2, Cement mortar 1:6 (1 cement: 6 coarse sand)	492.48	42.13		
12.	6.13. Half brick masonry with common burnt clay F.P.S. (non modular) bricks of class designation 7.5 in superstructure above plinth level up to floor V level. 6.13.2, Cement mortar 1:4 (1 cement: 4 coarse sand)	3,456.27	36.31		
13.	6.15. Extra for providing and placing in position 2 Nos. 6mm dia. M.S. bars at every third course of half brick masonry (with F.P.S. bricks)	3,456.27	3.12		
14.	11.3.1. Cement concrete flooring 1:2:4 (1 cement: 2 coarse sand: 4 graded stone aggregate) finished with a floating coat of neat cement, including cement slurry, but excluding the cost of nosing of steps etc. complete. 40 mm thick with 20 mm nominal size stone aggregate	12,357.72	69.41		
15.	13.1. 12 mm cement plaster of mix: 13.1.2, 1:6 (1 cement: 6 fine sand)	6,062.04	17.49		
16.	13.2, 15 mm cement plaster on the rough side of single or half brick wall of mix: 13.2.1, 1:4 (1 cement: 4 fine sand)	3,456.27	11.99		
17.	13.26, Providing and applying plaster of paris putty of 2 mm thickness over plastered surface to prepare the surface even and smooth complete.	9,518.31	21.10		
18.	13.41, Distempering with oil bound washable distemper of approved brand and manufacture to give an even shade: 13.41.1, New work (two or more coats) over and including water thinnable priming coat with cement primer	9,518.31	15.39		
19.	Less Primer (153.45 - 10.00 = 143.45)	9,518.31	15.39		
20.	13.45, Finishing walls with textured exterior paint of required shade: 13.45.1, New work (Two or more coats applied @ 3.28 ft <sup>2</sup> /10 sqm) over and including priming coat/ exterior primer applied @ 2.20 kg/10 sqm	3,772.89	9.87		

Sr. No.	Particulars	Quantity (in cum/sq mts, kgs, Nos, point, metre, each)	Amount (₹ in lakhs)	Vendor	Date of Quotation
21.	9.1, Providing wood work in frames of doors, windows, clerestory windows and other frames, wrought framed and fixed in position with hold fast lugs or with dash fasteners of required dia & length (hold fast lugs or dash fastener shall be paid for separately). 9.1.2, Sal wood	5.67	6.73		
22.	9.5, Providing and fixing paneled or paneled and glazed shutters for doors, windows and clerestory windows fixing with butt hinges of required size with necessary screws, excluding paneling which will be paid for separately, all complete as per direction of Engineer-in-Charge. (Note:- Butt hinges and necessary screws shall be paid separately) Kiln seasoned selected planks of sheesham wood	317.52	11.42		
23.	9.53, Providing 40x5 mm flat iron hold fast 40 cm long including fixing to frame with 10 mm diameter bolts, nuts and wooden plugs and embedding in cement concrete block 30x10x15 cm 1:3:6 mix (1 cement : 3 coarse sand : 6 graded stone aggregate 20 mm nominal size)	324.00	0.65		
24.	9.72, Providing and fixing bright finished brass butt hinges with necessary screws etc. complete	162.00	0.41		
25.	9.76, Providing and fixing bright finished brass 100 mm mortice latch and lock with 6 levers and a pair of lever handles of approved quality with necessary screws etc. complete.	54.00	0.43		
26.	9.77, Providing and fixing bright finished brass 100 mm mortice latch and lock with one dead bolt and a pair of lever handles of approved quality with necessary screws etc. complete.	54.00	0.36		
27.	9.79, Providing and fixing special quality bright finished brass cupboard locks with six levers of approved quality including necessary screws etc. complete.	54.00	0.15		
28.	9.80, Providing and fixing 50 mm bright finished brass cup board or wardrobe knob of approved quality with necessary screws.	54.00	0.04		
29.	9.81, Providing and fixing bright finished brass handles with screws etc. complete:	108.00	0.25		
30.	9.83, Providing and fixing aluminium die cast body tubular type universal hydraulic door closer (having brand logo with ISI, IS 3564. embossed on the body, door weight upto 35 kg and door width upto 700 mm), with necessary accessories and screws etc. complete	54.00	0.61		
31.	9.74, Providing and fixing bright finished brass tower bolts (barrel type) with necessary screws etc. complete	108.00	0.45		
32.	9.82, Providing and fixing bright finished brass hanging type floor door stopper with necessary screws, etc. complete.	54.00	0.06		
33.	13.48, Finishing with Deluxe Multi surface paint system for interiors and exteriors using Primer as per manufacturers specifications 13.48.32, Painting wood work with Deluxe Multi Surface Paint of required shade. Two or more coat applied @ 0.90 ltr/10 sqm	1,786.05	2.62		
34.	10.2, Structural steel work riveted, bolted or welded in built up sections, trusses and framed work, including cutting, hoisting, fixing in position and applying a priming coat of approved steel primer all complete. (a), Roof(1)	1,09,444.77	125.51		

Sr. No.	Particulars	Quantity (in cum/sq mts, kgs, Nos, point, metre, each)	Amount (₹ in lakhs)	Vendor	Date of Quotation
35.	9.50, Providing and fixing hand drawn steel wire fabric 75x25 mm mesh of weight not less than 7.75 Kg per sqm to window frames etc. Including 62x19 mm beading of second class teak wood and priming coat with approved steel primer all complete	1,041.39	17.00		
36.	13.48, Finishing walls with textured exterior paint of required shade : (a)13.48.3, Painting Steel work with Deluxe Multi Surface Paint to give an even shade. Two or more coat applied @ 0.90 ltr/10 sqm over an under coat of primer applied @ 0.80 ltr/10 sqm of approved brand and manufacture	1,041.39	1.48		
37.	12.50, Providing and fixing precoated galvanised iron profile sheets (size, shape and pitch of corrugation as approved by Engineer-in-charge) 0.50 mm (+ 0.05 %) total coated thickness with zinc coated coating 120 grams per sqm as per IS: 277, in 240 mpa steel grade, 5-7 microns epoxy primer on both side of the sheet and polyester top coat 15-18 microns. Sheet should have protective guard film of 25 microns minimum to avoid scratches during transportation and should be supplied in single length upto 12 metre or as desired by Engineer-in-charge. The sheet shall be fixed using self drilling/self tapping screws of size (5.5x 55 mm) with EPDM seal, complete upto any pitch in horizontal/ vertical or curved surfaces, excluding the cost of purlins, rafters and trusses and including cutting to size and shape wherever required.	16,538.67	116.98		
38.	12.51, Providing and fixing precoated galvanised steel sheet roofing accessories 0.50 mm (+0.05%) total coated thickness Zinc coating 120 grams per sqm as per IS: 277, 240 mpa steel grade, 5-7 microns, primer on both sides of the sheet and polyester top coat 15-18 microns using self-drilling/ self-tapping screws complete.	690.84	3.24		
39.	12.51.6, Gutter (600 mm over all girth)	1,167.39	13.71		
40.	<b>ELECTRICAL</b>				
41.	1.10, Wiring for light point/fan point/exhaust fan point/call bell point with 1.5 sq mm FRLS PVC insulated copper conductor single core cable in surface/ recessed medium class PVC conduit with modular switch, modular plate, suitable GI box and earthing the point with 1.5 sq mm FRLS PVC insulated copper conductor single core cable etc. as required. 1.10.3, Group C	1,026.00	11.45		
42.	1.11, Wiring for twin control light point with 1.5 sq mm FRLS PVC insulated copper conductor single core cable in surface/recessed medium class PVC conduit, 2 way modular switch, modular plate, suitable GI box and earthing the point with 1.5 sq mm FRLS PVC insulated copper conductor single core cable etc. as required.	54.00	0.64		
43.	1.14, Wiring for circuit/submain wiring along with earth wire with the following sizes of FRLS PVC insulated copper conductor, single core cable in surface/recessed medium class PVC conduit as required. (a) 1.14.2, 2 X 2.5 sq mm + 1 X 2.5 sq mm earth wire	2,790.00	5.25		
44.	(b) 1.14.9, 4 X 6 sq mm + 2 X 6 sq mm earth wire	2,250.00	9.99		
45.	1.21, Supplying and fixing of following sizes of medium class PVC conduit along with accessories in surface/recess including cutting the wall and making good the same in case of recessed conduit as required. 1.21.2, 25 mm	1,710.00	1.73		

Sr. No.	Particulars	Quantity (in cum/sq mts, kgs, Nos, point, metre, each)	Amount (₹ in lakhs)	Vendor	Date of Quotation
46.	1.24, Supplying and fixing following modular switch/socket on the existing modular plate and switch box including connections but excluding modular plate etc. as required. (b) 1.24.4, 3 pin 5/6 A socket outlet	54.00	0.05		
47.	(c) 1.24.4, 3 pin 5/6 A socket outlet	54.00	0.07		
48.	2.1 Providing and fixing following capacity TP&N disconnecter fuse switch unit inside the existing panel board with ISI marked HRC fuses including drilling holes in cubicle panel, making connections, etc. as required. 2.1.1., 32 A TP&N	9.00	0.21		
49.	2.1.2., 63 A TP&N	9.00	0.30		
50.	2.2 Providing and fixing following rating and breaking capacity and pole MCCB with thermomagnetic release and terminal spreaders in existing cubicle panel board including drilling holes in cubicle panel, making connections, etc. as required.	9.00	0.38		
51.	2.5 Supplying and fixing of following ways surface/ recess mounting, vertical type, 415 V, TPN MCB distribution board of sheet steel, dust protected, duly power painted, inclusive of 200 A tinned copper bus bar, common neutral link, earth bar, din bar for mounting MCBs (but without MCBs and incomer) as required. (Note: Vertical type MCB TPDB is normally used where 3 phase outlets are required.) 2.5.2., 8 way (4 + 24), Double door	9.00	0.79		
52.	2.10 Supplying and fixing 5 A to 32 A rating, 240/415 V, 10 kA, "C" curve, miniature circuit breaker suitable for inductive load of following poles in the existing MCB DB complete with connections, testing and commissioning, etc. as required.	18.00	0.11		
53.	2.13 Supplying and fixing following rating, four pole, 415 V, isolator in the existing MCB DB complete with connections, testing and commissioning etc. as required. 2.13.1, 40 A	18.00	0.17		
54.	5.6 Earthing with copper earth plate 600 mm X 600 mm X 3 mm thick including accessories, and providing masonry enclosure with cover plate having locking arrangement and watering pipe of 2.7 metre long etc. with charcoal coke and salt as required.	9.00	1.20		
55.	5.10 Providing and fixing 25 mm X 5 mm copper strip in 40 mm dia G.I. pipe from earth electrode including connection with brass nut, bolt, spring, washer excavation and re-filling etc. as required.	27.00	3.72		
56.	5.14 Providing and fixing 25 mm X 5 mm copper strip on surface or in recess for connections etc. as required.	225.00	2.56		
57.	6.2 Providing and fixing of lightning conductor finial, made of 25 mm dia 300 mm long G.I. tube, having single prong at top, with 85 mm dia 6 mm thick G.I. base plate including holes etc. complete as required.	9.00	0.05		
58.	7.1 Laying of one number PVC insulated and PVC sheathed / XLPE power cable of 1.1 KV grade of following size direct in ground including excavation, sand cushioning, protective covering and refilling the trench etc. as required. 7.1.1., Upto 35 sq. mm	585.00	2.17		

Sr. No.	Particulars	Quantity (in cum/sq mts, kgs, Nos, point, metre, each)	Amount (₹ in lakhs)	Vendor	Date of Quotation
59.	17.10 FIRE DETECTION AND ALARM SYSTEM (CONVENTIONAL) 17.1.2 Supplying, installation, testing & commissioning of smoke detector with built-in LED and mounting base complete with all connections etc. as required.	36.00	0.46		
60.	NON-SCHEDULED ITEMS: Supply and fixing of Havells LED Tube Light (Retrofit Type) 18 Watts	540.00	1.68		
	Total		903.99		
	GST 18%		162.71		
	<b>Grand Total</b>		<b>1,066.70</b>		

#### Estimated Cost for Plant and Machineries:

Our Company intends to install technologically advanced plant and machineries at our new manufacturing facility amounting to ₹ 4008.02 Lakhs from the Net Proceeds. Our Company has received quotations from various suppliers for such plant and machineries and is yet to place any orders or enter into definitive agreements for purchase of such plant and machineries. The amount to be spent and plant and machineries to be procured by our Company will depend upon business requirements and technology advancement. The details and total estimated cost of plant and machineries including taxes is as follows:

Sr. No.	Particulars	Quantity (in Nos./ Set/kgs)	Amount (₹ in lakhs)	Vendor	Date of Quotation
<b>1</b>	<b>Electrical Transformer</b>			<b>Red Phase Engineer's</b>	<b>29.06.2024</b>
	2500kVA Copper Wound 0.433/33 KV ECO-SMART HSN 8504 Distribution Transformer	1 No.	33.00		
	<b>Sub Total for Electrical Transformer</b>		<b>33.00</b>		
<b>2</b>	<b>Arc Furnace with accessories</b>			<b>Eastern METEC Private Limited</b>	<b>20.06.2024</b>
	1. 5/6 Ton Arc Furnace without Transformer	1 Set	160.00		
	2. Transformer	1 No.	55.00		
	3. VCB 11 KV	1 No.	8.00		
	<b>Sub Total for Arc Furnace with accessories</b>		<b>223.00</b>		
<b>3</b>	<b>Induction furnace with accessories</b>			<b>Electrotherm (India) Limited</b>	<b>14.06.2024</b>
	<b>Induction Melting Furnace</b>				
	1. 3000 KW / 500 Hz, 12 Pulse, S-Series Medium Frequency Solid State Power Supply Unit	1 No.	75.30		

2. Capacitor Rack fitted with Capacitors suitable for above Power supply unit complete with connecting Bus bars and Capacitor Switch.	1 Set	
3. D. C. Choke suitable for above Solid State Power Supply Unit	1 No.	
4. D. M. Water Circulation Unit complete with Plate Type Heat Exchanger, Non-Ferrous Pump dully fitted with a standby Pump, Mix- bed Resin Cartridge, DM Water Storage PVC Tank with Pressure Gauge, Valves and inter-connecting pipeline of stainless steel	1 No.	
5. Operator Control Desk with stand consisting of On/Off push buttons, Indicators & Meters for ON / OFF and Power Control operations from Furnace Platform	1 No.	
6. Inter Connecting Materials including : a) Bus bars from Power supply unit to Capacitor Rack with insulators. b) Pipeline with fittings such as bends, collars, stubends, tee for water connections between DM water circulation unit, Capacitor Rack and Solid State Power Supply Unit.	1 Lot.	
7. 5000 Kg ET-Steel Frame Melting Furnace complete with refractory top & bottom, Copper Coil with Cooling Turns, Lamination Packets secured in a Frame Structure, Hydraulic Cylinders and Inlet & Outlet Sub-Manifolds with etc.	1 No.	
8. Hydraulic Power Pack consisting of 3 phase Induction Motor, Hydraulic Pump dully fitted with a standby Pump, Oil Storage Tank, Pressure Gauge, Valves and inter-connecting pipeline	1 No.	
9. Inter Connecting Materials including : a) Outgoing bus bars from Capacitor Rack to Melting furnaces along with Water Cooled Cables, Cable Guide b) Hydraulic Pipeline, with equal tees, equal bends along with Directional Control Valves with stand. c) Main Inlet & outlet water manifolds complete with valves, temperature sensors, temperature gauges, ressure gauge, Carbon rubber hoses for making water connections.	1 Lot.	76.10
10.5000 Kg ET-Steel Frame Melting Furnace complete with refractory top & bottom, Copper Coil with Cooling Turns, Lamination Packets secured in a Frame	1 No.	70.80

Structure, Hydraulic Cylinders and Inlet & Outlet Sub- Manifolds with etc		
11. Manually operated Furnace Change Over Switches for immediate switchover of power from one melting furnace to another	1 set	
12. Inter Connecting Materials including : a) Outgoing bus bars from Capacitor Rack to Melting furnaces along with Water Cooled Cables, Cable Guide b) Main Inlet & outlet water manifolds complete with valves, temperature sensors, temperature gauges, pressure gauge, Carbon rubber hoses for making water connections	1 Lot.	
<b>Sub Total Induction Melting Furnace</b>		<b>222.20</b>
<b>Electrical System</b>		
1. 3600 KVA, 33 KV / 1000 V x 2 Furnace Transformer, ONAN type	1 No.	68.20
2. 33 KV Circuit Breaker Panel (Stand Alone) with CTs, PTs, Relay, Surge Arrester & Energy Meter	1 No.	22.70
3. Copper Bus Bar with Ducting between Furnace Transformer to Furnace PSU panel	1 No.	12.50
4. PH & IF MCC Panel	2 Nos.	18.20
<b>Sub Total Electrical System</b>		<b>121.60</b>
<b>Closed Loop Cooling System</b>		
1. Cooling Tower	1 No.	8.00
2. Water Circulating Pumps fitted with Motors for Primary and DM Secondary	6 Nos.	9.30
3. Pumps and motors for Overhead Emergency Water Tank with stand-by Diesel Pump and Water Treatment Plant	4 Nos.	4.50
4. Pipeline & Fittings like Valves, Elbows, Tees, Strainers etc. (Considering maximum 50 Mtrs. distance between Furnace Room & Pump House)	1 Lot	27.30
5. DM Plant Up-flow type (0.2 M3/Hr with 1 M3 OBR)	1 No.	2.30
6. Water Softening Plant Up-flow type (10 M3/Hr with 120 M3 OBR)	1 No.	5.70
7. Heat Exchanger	1 No.	6.10
<b>Sub Total Closed Loop Cooling System</b>		<b>63.20</b>

<b>Sub Total for Induction furnace with accessories</b>			<b>407.00</b>
<b>4</b>	<b>No Bake molding line</b>		
			<b>J.K. Engitech Private Limited</b>
			<b>26.06.2024</b>
	<u>No bake Sand Plant</u>		
<b>A</b>	<b>NEW SAND AREA</b>		
	PNEUMATIC ACTUATED KNIFE GATE VALVE FOR SAND INLET CONTROL IN BUCKET ELEVATOR.	1 No.	1.32
	BUCKET ELEVATOR. (B.E-1)	1 No.	9.39
	JKFE PV 6 (PNEUMATIC CONVEYING VESSEL)	1 No.	3.83
	Y TYPE PNEUMATIC ACTUATED DIVERTER VALVE	1 No.	1.23
	<b>Sub Total for New Sand Area</b>		<b>15.77</b>
<b>B</b>	<b>MIXING AREA</b>		
	JKFE CONMIX 2000 AB (12-20 TPH) ARTICULATED BELT TYPE	1 No.	21.17
	4 – WAY PNEUMATIC SAND BLENDING GATE	1 No.	0.85
	<b>Sub Total for MIXING AREA</b>		<b>22.02</b>
<b>C</b>	<b>MIXING AREA</b>		
	JKFE CONMIX 1200 P (6-12 TPH) PIVOTAL TYPE	1 No.	15.64
	WAY PNEUMATIC SAND BLENDING GATE	1 No.	0.68
	<b>Sub Total for MIXING AREA</b>		<b>16.32</b>
<b>D</b>	<b>MOULDING AREA FOR COUPLER LINE</b>		
	JKFE JCT 02 COMPACTION TABLE MANUAL	1 No.	9.27
	MANUAL FAST LOOP MOULDING UNIT	1 No.	5.61
	MANUAL TRANSFER CAR IN FAST LOOP LINE	2 Nos.	3.40
	RAIL LINE FOR TRANSFER CAR	8 Mtr	0.68
	<b>Sub Total for MOULDING AREA FOR COUPLER LINE</b>		<b>18.96</b>
<b>E</b>	<b>RECLAMATION AREA</b>		



	VIBRATORY SHAKEOUT 3525	1 No.	31.03
	VIBRATORY FEEDER	1 No.	11.52
	OVER BEND MAGNETIC SAPARATOR BELT. (OBMS)	1 No.	4.89
	JKFE HLT 15 (SAND RECLAMATION)	1 No.	23.67
	JKFE PV 15 (PNEUMATIC CONVEYING VESSEL)	1 No.	6.12
	KNIFE GATE PNEUMATIC CONTROL VALVE	1 No.	2.27
	JKFE VIBRO FEEDER	1 No.	5.95
	ROTARY MAGNETIC SEPARATOR	1 No.	5.95
	JKFE SC 15 (SAND COOLER CLASSIFIER)	1 No.	21.41
	JKFE PV 15 (PNEUMATIC CONVEYING VESSEL)	1 No.	6.12
	CONTROL PANEL FOR RECLAMATION PLANT	1 No.	4.08
	<b>Sub Total for RECLAMATION AREA</b>		<b>123.01</b>
<b>F</b>	<b>DES SYSTEM</b>		
	DUST COLLECTOR SYSTEM FOR SHAKEOUT HOOD	1 No.	23.28
	DUST COLLECTOR SYSTEM FOR HLT AND COOLER CLASSIFIER	1 No.	20.42
	<b>Sub Total for DES SYSTEM</b>		<b>43.70</b>
<b>G</b>	<b>ERRECTION &amp; COMMISSIONING AREA</b>		
	SILO VENT FILTER FLOOR MOUNT	5 Nos	8.55
	SILO HIGH- AND LOW-LEVEL SENSORS	10 Nos	1.14
	6" Casted Bend for Sand conveyor line		-
	Cast Steel Material Special wear resistance 90 Degree Bend	10 Nos	1.52
	4" Casted bend		-
	Cast Steel Material Special wear resistance 90 Degree Bend	10 Nos	1.14
	Commissioning Supervision Charges Only		-
	Lodging And Boarding of JKEPL Person is in client Scope	1 No.	4.75
	<b>Sub Total for ERRECTION &amp; COMMISSIONING AREA</b>		<b>17.10</b>

	<b>Sub Total for No Bake molding line</b>		<b>256.87</b>		
<b>5</b>	<b>Steel structure &amp; hopper for sand plant &amp; molding plant as per suppliers specification in MT</b>			<b>Manhar Steel</b>	<b>4.7.2024</b>
	Fabrication Work				
	Specification for Sand Hoppers & Other Structure for sand/moulding Plant	350 MT	437.50		
	<b>Sub Total for Steel structure &amp; hopper for sand plant &amp; molding plant as per suppliers specification in MT</b>		<b>437.50</b>		
<b>6</b>	<b>Mold Box</b>			<b>SSEC Foundry Equipment Private Limited</b>	<b>25.06.2024</b>
	Size 3200*1200*400 MM duly machined with brushes, Suitable for HPML	200 Nos.	660.00		
	<b>Sub Total for Mold Box</b>		<b>660.00</b>		
<b>7</b>	<b>Compressor-250-275 CFM</b>			<b>Aerotech Industrial Solutions</b>	<b>27.06.2024</b>
	Screw Type Air compressor - 250-275 CFM				
	Machine Model - CTSD-60, CFM - 275, Pressure - 8 Bar, Motor KW - 45	1 No.	5.55		
	<b>Sub Total for Compressor-250-275 CFM</b>		<b>5.55</b>		
<b>8</b>	<b>Pouring ladle- 5 mt</b>			<b>Dilwal Vigyan Praudyogee Pvt. Ltd</b>	<b>30.06.2024</b>
	Top Poring Ladle				
	Metal Handle Capacity –5000 Kg (Molten Iron) M.S Sheet (Shell Plate Thickness) - Side : 8 mm, Bottom : 10 mm	4 Nos	11.00		
	Internal Volume-1000 mm Diameter x 1000 mm height				
	Insulation Size-115 mm				
	<b>Sub Total for Pouring ladle- 5 mt</b>		<b>11.00</b>		
<b>9</b>	<b>Ladel heater-5mt</b>			<b>Dilwal Vigyan Praudyogi</b>	<b>30.06.2024</b>

				<b>kee Pvt. Ltd</b>
	Gas Fired Ladle Pre-Heater			
	Temp-1200 O C 180o Rotation, 600 mm UP-Down Lifting Double Stage Operation, Self Spark Ignition with Automation 1Hp Blower,3 ph,230V,50Hz,2800rpm Hydraulic System for Lifting Ladle Pre-heater	1No.	2.60	
	<b>Sub Total for Ladel heater-5mt</b>		<b>2.60</b>	
<b>10</b>	<b>Connection Charges for 3000KVA Connection</b>			<b>Uttarakhand Power Corporation Limited</b> <b>UERC (The Electricity Supply Code) regulation 2007</b>
	Terminal Equipment including Circuit breaker, isolater, lightening arrestors at sending end & EHT cable, CT, PT meter cubical at both ends		20.00	
	Line Cost Underground 33KV	1500 Nos.	75.00	
	Security Deposit	3000 Nos.	90.00	
	<b>Sub Total for Connection Charges for 3000KVA Connection</b>		<b>185.00</b>	
<b>11</b>	<b>Shot Blasting</b>			<b>Perfect Engineers</b> <b>29.08.2024</b>
	Perfect' type Shot Blasting Machine for MS Pipes			
	PULSE JET TYPE DUST TUBE COLLECTOR			
	Electric Panel fitted with L & T make accessories			
	<b>Sub total for Shot Blasting</b>	2Nos	<b>82.04</b>	
<b>12</b>	<b>Grinders</b>			<b>M/S Mahalaxmi Traders</b> <b>5.8.2024</b>
	GWS 2200 (06018C00F0)	20 Nos	1.34	
	<b>Sub total for Grinders</b>		<b>1.34</b>	
<b>13</b>	<b>Mig welding</b>			<b>SK Arc Welding Machines Private Limited</b> <b>5.7.2024</b>

	MIG Welding Machine 400 AMP Heavy Duty	15 Nos	6.30		
	<b>Sub total for Mig welding</b>		<b>6.30</b>		
<b>14</b>	<b>Plasma cutting/ gas cutting</b>			<b>SK Arc Welding Machines Private Limited</b>	<b>5.7.2024</b>
	Plasma Cutting Machine Cut 120 Inbuilt	10 Nos	5.20		
	<b>Sub total for Plasma cutting/ gas cutting</b>		<b>5.20</b>		
<b>15</b>	<b>Electric Heat treatment furnace- 12MT</b>			<b>Knackwell Thermal Engineers</b>	<b>18.06.202 4</b>
	BOGIE HEARTH FURNACE FOR NORMALIZING 12 MT– ELECTRIC - 950° C	2 No.	150.00		
	<b>Sub total for Electric Heat treatment furnace-12MT</b>		<b>150.00</b>		
<b>16</b>	<b>Electric Heat treatment furnace- 5 MT Quenching tank</b>			<b>Knackwell Thermal Engineers</b>	<b>18.06.202 4</b>
	BOGIE HEARTH FURNACE FOR QUENCHING 5 MT– ELECTRIC - 950° C	1No.	108.00		
	<b>Sub total for Electric Heat treatment furnace- 5 MT Quenching tank</b>		<b>108.00</b>		
<b>17</b>	<b>VMC</b>			<b>Electronic a Hitech Machine Tools Pvt Ltd</b>	<b>1.3.2024</b>
	DN SOLUTIONS KOREA Make VERTICAL TURNING CENTER MODEL PUMA V8300-2SP with Fanuc controller.	1 No.	276.96		
	Chuck size – 24		6.73		
	Coolant pump for main turret_7bar @50Hz		4.66		
	Oil skimmer		0.44		
	Chip Conveyor magnetic scrapper type Rear		3.66		
	Chip bucket 300L_roatation		0.44		
	Coolant gun		0.50		

	Coolant pressure switch		0.53		
	Coolant level switch		0.37		
	<b>Sub total for VMC</b>		<b>294.29</b>		
<b>18</b>	<b>LATHE MACHINES</b>			<b>Kabir Foundry Works</b>	<b>5.8.2024</b>
	1. LATHE MACHINE 20 FEET(6000MM)	1 No.	21.85		
	2. ONE LATHE MACHINE SS LATHE MACHINE 12 FEET(3600MM)	1 No.	5.20		
	3. ONE LATHE MACHINE SS LATHE MACHINE 10 FEET(3000MM)	1 No.	3.90		
	4. ONE RADIAL DRILLING MACHINE CAPACITY 50 MM	1 No.	3.40		
	5. ONE HEAVY DUTY HYDRAULIC HACKSAW CUTTNG	1 No.	1.60		
	6. ONE HEAVY DUTY SHAPING MACHINE WITH ELECTRICAL	1 No.	3.80		
	<b>Sub total for LATHE MACHINES</b>		<b>39.75</b>		
<b>19</b>	<b>Load Testing Bogie</b>			<b>MCB Technocrats</b>	<b>20.06.2024</b>
	1. Hydraulic Double Acting cylinder for 400T		3.15		
	2. Hydraulic Double Acting cylinder for 100T		1.45		
	3. Combined power-pack with dual operating arrangement		2.75		
	4. Steel requirement		4.69		
	<b>Sub total for Load Testing Bogie</b>		<b>12.04</b>		
<b>20</b>	<b>TUB Hammer Test</b>			<b>MCB Technocrats</b>	<b>17.06.2024</b>
<b>A</b>	Foundation				
	Excavation	360 m3	0.32		
	Shoring	196 sq.m	0.39		
	Pump (1HP)		0.15		
	Boulder Packing	14.7 cy.m (514.5 cft)	0.31		
	River sand packing	514.5 cft	0.15		

	RCC work	24.5m3	2.70
	Pyramid Type Flat Head	86.6m3	9.53
	Foundation Bolts	28Pcs	0.32
	Back Fill	200 m3	0.08
			-
<b>B</b>	<b>Structure</b>		-
	Base Plate	1099 Kg	0.77
	Stiffener	942 Kg	0.66
		235 Kg	0.16
	Seamless Tube	1817 Kg	1.36
	Guide Sq Bar 50mm	196.3 Kg	0.14
	With 6 Nos Guide Shoe	120 Kg	0.10
	Cross bar + Platform	1 MT	0.70
	Fabrication & Erection Work	6 MT	1.80
			-
<b>C</b>	<b>Castings</b>		-
	Anvil (Grade E)	5 Ton	5.00
	Machining Cost		1.50
	Lifting Box (Grade E)	500 Kg	0.50
	Machining Cost		0.15
	Lifting Arma, Guide Shoe, hammer Head, Hammer Tail (Grade E)	1 Ton	1.00
	Machining Cost		0.30
	Hammer (Grade B)	27000lb (122.5 Ton)	12.50
			3.75
	Catch Mechanism		10.50
	Drop Release Mechanism		0.50
			-
<b>D</b>	<b>Mounting Mechanism</b>		-

			-	
	Load Cell Top Plate	424 Kg	0.42	
	Load Cell Base Plate	424 Kg	0.42	
			-	
	Safety Cage	200 Kg	0.14	
	Roller Track		0.40	
			-	
<b>E</b>	<b>Instrumentation</b>		-	
	Load Cell		20.50	
	LVDT		-	
	Draw Bar		-	
	PC software		7.00	
	Wiring Harness System		0.50	
	Electrical Items		-	
	Designing/ Engineering/Supervision/Execution/ Testing - Commissioning/ Product Sampling		9.76	
	<b>Sub total for TUB Hammer Test</b>		<b>94.48</b>	
<b>21</b>	<b>Coupler pull testing machine</b>			<b>MCB Technocrats 19.06.2024</b>
	5000MT Sinfglr Cylinder Coupler Pull Test-Rig			
	1. Drawing, Fabrication, Erection and Supervision		3.85	
	2.500 MT Hydraulic Jack Along with Associated Power-Pack		9.50	
	3. Steel Requirment		12.80	
	<b>Sub total for Coupler pull testing machine</b>		<b>26.15</b>	
<b>22</b>	<b>Spectrometer</b>			<b>Raman Instruments Private Limited 13.06.2024</b>
	HITACHI HIGH-TECH ANALYTICAL SCIENCE GmbH	1 Set	19.00	

	<b>Sub total for Spectrometer</b>			<b>19.00</b>	
23	<b>Metallurgical Microscope With Software</b>				<b>Aloe Technologies India Pvt. Ltd. 26.06.2024</b>
	DIGITAL MOTORIZED IMPACT TESTING MACHINE - AMIT-3000	1 No.		5.75	
	<b>Sub total for Metallurgical Microscope With Software</b>			<b>5.75</b>	
24	<b>Impact Testing Machine</b>				<b>Kelsons Metallurgical Equipment 29.06.2024</b>
	PENDULUM IMPACT TESTER – DIGITAL (High Base)	1 No.		1.98	
	<b>Sub total for Impact Testing Machine</b>			<b>1.98</b>	
25	<b>Rockwell Hardness Testing Machine</b>				<b>Aloe Technologies India Pvt. Ltd. 26.06.2024</b>
	Analog Rockwell Hardness Tester Indian - ARH-150	1 No.		0.45	
	<b>Sub total for Rockwell Hardness Testing Machine</b>			<b>0.45</b>	
26	<b>Brinell Hardness Testing Machine</b>				<b>Kelsons Metallurgical Equipment 29.06.2024</b>
	COMPUTERIZED BRINELL HARDNESS TESTER- DIGITAL – B3000 – D WITH SPECIAL FLAT TABLE ASSEMBLY. (TEST HEIGHT 380mm)	1 No.		4.02	
	<b>Sub total for Brinell Hardness Testing Machine</b>			<b>4.02</b>	
27	<b>Electronic Universal Testing Machine with software-400 kN Capacity</b>				<b>Kelsons Metallurgical Equipment 29.06.2024</b>
	COMPUTERISED UNIVERSAL TESTING MACHINE MODEL: UTE-40	1 No.		6.25	
	<b>Sub total for Electronic Universal Testing Machine with software-400 kN Capacity</b>			<b>6.25</b>	



<b>28</b>	<b>Manual Notch Cutting Machine</b>		<b>Aloe Technologies India Pvt. Ltd.</b>	<b>26.06.2024</b>
	MANUAL NOTCH CUTTING MACHINE -ABM- 2M	1 No.	0.79	
	<b>Sub total for Manual Notch Cutting Machine</b>		<b>0.79</b>	
<b>29</b>	<b>Sand lab</b>		<b>Kelsons Metallurgical Equipment</b>	<b>29.06.2024</b>
	SAND WASHER MANUAL HSN Code: 8474	1 No.	0.20	
	RAPID DRIER HSN Code: 9026	1 No.	0.10	
	LIQUID LIMIT HSN Code: 9024	1 No.	0.07	
	SOFTWARE BASED MOISTURE TESTER (DRY & WET) HSN Code: 9031	1 No.	0.92	
	SAND RAMMER HSN Code: 9024	1 No.	0.19	
	Base Block HSN Code: 9033	1 No.	0.09	
	Compactability Tester HSN Code: 9033	1 No.	0.05	
	DIGITAL PERMEABILITY TESTER (SEMI AUTO WITH SOFTWARE BASED) HSN Code: 9027	1 No.	0.98	
	UNIVERSAL STRENGTH MACHINE [MECHANICAL AND DIGITAL] HSN Code: 9024	1 No.	0.98	
	MOULD HARDNESS TESTER ('B' SCALE) HSN Code: 9024	1 No.	0.09	
	CORE HARDNESS TESTER HSN Code: 9024	1 No.	0.12	
	SHATTER INDEX TESTER HSN Code: 9024	1 No.	0.50	
	<b>Sub total for Sand lab</b>		<b>4.29</b>	
<b>30</b>	<b>Ultrasonic- manual</b>		<b>Swastik Systems &amp; Services</b>	<b>09.09.2023</b>
	Scientific Instruments Make-Labman ULTRASONIC CLEANER LMUC3 CAP-2.5LTR	1No.	0.15	
	<b>Sub total for Ultrasonic- manual</b>		<b>0.15</b>	
<b>31</b>	<b>Ultrasonic- digital</b>		<b>Tatva Marketing and</b>	<b>29.08.2024</b>

			<b>Services Pvt. Ltd.</b>
	The RECORDABLE Ultrasonic Flaw Detector Arjun30	1 No.	2.76
	<b>Sub total for Ultrasonic- digital</b>		<b>2.76</b>
<b>32</b>	<b>Pattren 2 side frame</b>		<b>M.C.B Technocra ts</b>
	Side Frame - Drg. No: WD89067-S3-22HS, Pattern - Solid Teak, Wood-Sipelet, Pattern of RIB - Aluminium	16 Nos.	42.72
	2" Teak wood core box (5 Nos) Core Box-In Box-All Core Box-RIB-Aluminium S-Core-Face-Open-MS 3mm Seat with support-Sal wood 1 seat	8 Sets	30.24
	Layout 5 Template 3mm, S-Letter, Aluminium Riser, NO Cap, Runner Core	8 Sets	6.24
	Supply of SMS Match-plate (330mm x 2000mm x 25mm THK-2 Nos, I-Beam 150mm x 8 nos, Location Wooden Core Box 1x3-1 Nos	8 Sets	43.20
	<b>Sub total for Pattren 2 side frame</b>		<b>122.40</b>
<b>33</b>	<b>Pattern Bloster with Core Box</b>		<b>M.C.B Technocra ts</b>
	Wooden Pattern (2 Halves) with necessary core-box for 22H5 bolster, Aluminium Layout & Templates, Aluminium Runner-Riser- In-gate. 2 Nos Match-plate MS 25mm THK. As per Drg. No: WD-92058 5/3 Core Box-Main Core Box-12 Nos, Side Core-4 Nos, Letter Core-4 Nos	8 Sets	74.59
	<b>Sub total for Pattern Bloster with Core Box</b>		<b>74.59</b>
<b>34</b>	<b>Gauges coupler &amp; bogie</b>		<b>M.C.B Technocra ts</b>
	Gauges for CASNUB 22HS Side Frame	8 Sets	39.82
	Gauges for CASNUB 22HS Bolster	8 Sets	
	<b>Sub total for Gauges coupler &amp; bogie</b>		<b>39.82</b>
<b>35</b>	<b>EOT crane</b>		<b>Asia Cranes private Limited</b>
			<b>21.06.202 4</b>
			<b>19.07.202 4</b>

	Double Beam E.O.T. Crane Capacity – 10 Ton Span – 65 Feet (As per Site)	2 No.	75.00		
	<b>Sub total for EOT crane</b>		<b>75.00</b>		
<b>36</b>	<b>EOT crane</b>			<b>Asia Cranes private Limited</b>	<b>19.07.2024</b>
	Double Beam E.O.T. Crane Capacity – 15 Ton Span – 65 Feet (As per Site)	2 No.	65.00		
	<b>Sub total for EOT crane</b>		<b>65.00</b>		
<b>37</b>	<b>EOT crane</b>			<b>Asia Cranes private Limited</b>	<b>19.07.2024</b>
	Double Beam E.O.T. Crane Capacity – 7.5 Ton Span – 65 Feet (As per Site)	6 No.	171.00		
	<b>Sub total for EOT crane</b>		<b>171.00</b>		
<b>38</b>	<b>Hoist</b>			<b>Dev Raj Engineerin g Works</b>	<b>20.07.2024</b>
	EOT Crane Moving out Double Beam Capacity 10 MT	10 Nos.	34.00		
	<b>Sub total for Hoist</b>		<b>34.00</b>		
<b>39</b>	<b>APCS</b>			<b>Manhar Steel</b>	<b>04.07.2024</b>
	Air Pollution Control System For 5MT Arc Furnace & 5 MT Induction Furnace	1 No.	50.00		
	<b>Sub total for APCS</b>		<b>50.00</b>		
			-		
<b>40</b>	<b>Foundation cost of all machinery</b>	1 No.	177.00	<b>COX Infratech Private Limited</b>	<b>24.08.2024</b>
	<b>Sub total for Foundation cost of all machinery</b>		<b>177.00</b>		
<b>41</b>	<b>Computers, cameras , printers , Intercom &amp; Integration &amp; automation IT Products</b>			<b>Strategic Marketing</b>	<b>5.8.2024</b>

1. HP Business Desktop 280 G9	25 Nos.	16.25
2. HP Business Desktop 205 AIO 22"	15 Nos.	9.75
3. AIO Desktop 27" inches	6 Nos.	5.16
4. HP LaserJet Pro MFP M126nw	7 Nos.	1.72
5. HP LaserJet A3 Multifunction Printer 438nda	5 Nos.	3.75
6. Dahua Smart Interactive board Built-in System	4 Nos.	3.60
7. Dahua Smart Interactive board Built-in System	3 Nos.	3.30
8. Model : DHI-LCH86-MC410-B	3 Nos.	4.80
9. Detachable PC module ( Dahua )	10 Nos.	4.80
10. Video Conferencing System	10 Nos.	15.00
<b>Sub total for IT Products</b>		<b>68.13</b>
<b>Intercom Products -</b>		
Tel Set Panasonic KX TX 500 SX basic Phone for rooms	45 Nos.	0.79
Tel Set Panasonic KX TX 62 SX Caller ID & Speaker for Service Extensions	10 Nos.	0.19
MDF 80 Pairs with Krone Modules Rack Mountable	1 No.	0.05
Installation, Programming & On Site Support for 1 year	01 Job	0.17
<b>Sub total for Intercom Products</b>		<b>1.20</b>
<b>Server (1)</b>		
HPE ProLiant DL380 Gen10 4210R 2.4GHz 10-core 1P 32GB-R P408i-a 8SFF 800W PS Server	1 No.	12.00
HPE 32GB (1x32GB) Dual Rank x4 DDR4-2933 CAS-21-21-21 Registered Smart Memory Kit	3 Nos.	
HPE 1.2TB SAS 10K SFF SC MV HDD	4 Nos.	
HPE 480GB SATA 6G Read Intensive SFF SC Multi Vendor SSD	2 Nos.	
HPE 800W Flex Slot Platinum Hot Plug Low Halogen Power Supply Kit	1 No.	
HPE 5Y TC Crit DL380 Gen10 SVC	1 No.	
<b>Sub total for Server (1)</b>		<b>12.00</b>

<b>Server (2)</b>		
HPE ProLiant DL380 Gen10 4214 2.2GHz 12-core 1P 16GB-R P816i-a 12LFF 800W PS Server	1 No.	9.00
HPE 16GB (1x16GB) Dual Rank x8 DDR4-2933 CAS-21-21-21 Registered Smart Memory Kit	5 Nos.	
HPE 8TB SATA 6G Business Critical 7.2K LFF SC 1-year Warranty 512e Multi Vendor HDD	6 Nos.	
HPE 480GB SATA 6G Read Intensive LFF SCC Multi Vendor SSD	2 Nos.	
HPE 800W Flex Slot Platinum Hot Plug Low Halogen Power Supply Kit	1 No.	
HPE 5Y TC Ess DL380 Gen10 SVC	1 No.	
Server Installation, Programming & On Site	1 Job	0.10
<b>Sub total for Server (2)</b>		<b>9.10</b>

<b>CCTV Surveillance -</b>		
1. 2MP Industry Grade Dome Camera	20 Nos.	0.84
2. 2 MP Industry Grade Bullet Camera	35 Nos.	1.71
3. ANPR Camera	7 Nos.	2.87
4. 2MP 25*Starlight IR PTZ Network Camera	10 Nos.	2.74
5. 3 MP Basic Bullet Camera	25 Nos.	0.70
6. 3 MP Basic Dome Camera	17 Nos.	0.46
7. 8 Channel NVR	4 Nos.	0.37
8. 32 Channel NVR	3 Nos	0.46
9. 16 Channel NVR	4 Nos	0.44
10. 8+2 Port Switch	6 Nos	0.53
11. 24+2 Port Poe Switch	8Nos	1.18
12. 16+2 Port Poe Switch	5 Nos	0.84
13. Rack 4U with PDU	5 Nos	0.19
14. Rack 6U with PDU	8 Nos	0.31
15. Rack 9U with PDU	13 Nos	0.60

16. Camera Mount BOX	114 Nos	0.11
17. 2 TB Surveillance Hard Disk	9 Nos	0.61
18. 8 TB Surveillance Hard Disk	3 Nos	0.71
19. 6TB Surveillance Hard Disk	3 Nos	0.49
20. Patch Panel 24 Port	8 Nos	0.33
21. Patch Cord 0.5 Metre	114 Nos	0.24
22. Wifi Access Point	17 Nos	1.21
23. RJ 45 Connector Box	10 Nos	0.12
24. Media Convertor	9 Nos	0.70
25. Fibre 100m Roll	15 Nos	0.27
26. Cat-6 Cable Roll (350m)	27 Nos	2.11
<b>Sub total for CCTV Surveillance</b>		<b>21.14</b>
<b>Power Solution- UPS</b>		
Delta 10 KVA Online UPS	1 No.	1.10
<b>Sub total Power Solution- UPS</b>		<b>1.10</b>
<b>Sub total for Computers, cameras , printers , Intercom &amp; Integration &amp; automation</b>		<b>112.67</b>
<b>Grand Total</b>		<b>4,008.02</b>

Notes:

1. We have considered the above quotations for the budgetary estimate purpose and have not placed orders for them. The actual cost of procurement and actual supplier/dealer may vary.
2. All quotations received from the vendors mentioned above are valid as on the date of this Draft Red Herring Prospectus. However, except as stated above, we have not entered into any definitive agreements with any of these vendors and there can be no assurance that the same vendors would be engaged to eventually supply the machineries/equipment or at the same costs.
3. The machinery/equipment models and quantity to be purchased are based on the present estimates of our management. The Management shall have the flexibility to revise such estimates (including but not limited to change of vendor or any modification/addition/deletion of machineries or equipment) at the time of actual placement of the order. In such case, the Management can utilize the surplus of proceeds, if any, arising at the time of actual placement of the order, to meet the cost of such other machinery, equipment or utilities, as required. Furthermore, if any surplus from the proceeds remains after meeting the total cost of machineries, equipment and utilities for the aforesaid purpose, the same will be used for our general corporate purposes, subject to limit of 25% of the amount raised by our Company through this Issue.
4. We are not acquiring any second-hand machinery.

The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of machineries proposed to be acquired by us at the actual time of purchase, resulting in increase in the estimated cost. Further, cost can be escalated on account of freight expenses, installation charges, packaging & forwarding, duties & taxes to the extent not already included in the estimates etc. Any increase in costs in excess of the

estimated cost or any contingencies shall be funded from the general corporate purpose, debt arrangements or through internal accruals.

Our Promoters, Promoter Group, Directors, Key Managerial Personnel, Subsidiary Company and Group Company do not have any interest in the proposed civil and structural works, acquisition of plant and machineries, or in the entities from whom we have obtained quotations in relation to such activities.

#### Project Implementation Schedule

Based on the current status of the project, the Project is expected to achieve Commercial Operations by August, 2025. The estimated implementation schedule is mentioned in the table below:

Sr. No	Activity description	Start Schedule	Target Completion
1	Land acquisition and possession	June 2024	October 2024
2	Quotation for machinery	July 2024	September 2024
4	Construction work and Structural work of Plant and Machinery	October 2024	February 2025
5	Receipt and Erection of Plant and Machinery	March 2025	May 2025
6	Statutory Permissions	May 2025	May 2025
7	Trial run of plant	June 2025	June 2025
8	RDSO approval for Plant and Product	June 2025	August 2025
9	Commercial Production	August 2025	

#### Governments Approvals

In relation to the Capital Expenditure, we are required to obtain various approvals such as licenses under the Factories Act, 1948, no-objection certificates from fire safety authorities, Pollution Control Board and rules and regulations issued by, Ministry of Labour and Employment, State industrial development authority (SIDA) and Approval from Research Designs and Standards Organisation (RDSO).

Our Company undertakes to file necessary applications with the relevant authorities for obtaining all approvals as applicable, at the relevant stages. In the event of any unanticipated delay in receipt of such approvals, the proposed deployment of the Net Proceeds may be extended or may vary accordingly.

#### **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 230(2) of the SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- (a) strategic initiatives
- (b) brand building and strengthening of marketing activities;
- (c) further capital expenditure
- (d) ongoing general corporate exigencies and
- (e) any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above.

#### **Issue Related Expenses**

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

Expenses	Estimated expenses <sup>(1)</sup> (in ₹ Lakhs)	As a % of the total estimated Issue expenses <sup>(1)</sup>	As a % of the total Gross Issue Proceeds <sup>(1)</sup>
Issue management fees including fees and reimbursements of Market Making fees and payment to other Intermediaries such as Legal Advisors to the IPO, Registrars and other out of pocket expenses.	[●]	[●]	[●]
Marketing and Selling Commission and expenses	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Printing and distribution of issue stationery	[●]	[●]	[●]
Others			
- Listing fees	[●]	[●]	[●]
- SEBI and NSE processing fees	[●]	[●]	[●]
- Book Building software fees	[●]	[●]	[●]
- Other regulatory expenses	[●]	[●]	[●]
- Miscellaneous	[●]	[●]	[●]
<b>Total estimated Issue expenses</b>	[●]	[●]	[●]

\*Please note that the cost mentioned is an estimate quotation as obtained from the respective parties and excludes GST, interest rate and inflation cost. The amount deployed so far toward issue expenses shall be recouped out of the issue proceeds.

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

Portion for Retail Individual Bidders	[●]% of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Bidders	[●]% of the Amount Allotted* (plus applicable taxes)

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

No uploading/processing fees shall be payable by our Company to the SCSBs on the Bid cum Applications Forms directly procured by them.

The Selling commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the bid book of BSE or NSE.

(3) Processing fees payable to the SCSBs on the portion for Retail Individual Bidders, and Non-Institutional Bidders (excluding UPI Bids) which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

Portion for RIB, Non-Institutional Bidders	₹ [●] per valid application (plus applicable taxes)
--	---

Notwithstanding anything contained above the total processing fee payable under this clause will not exceed ₹ [●] lakhs (plus applicable taxes) and in case if the total processing fees exceeds ₹ [●] lakhs (plus applicable taxes) then processing fees will be paid on pro-rata basis. The payment of selling commission payable to the sub-brokers/ agents of Sub-Syndicate Members are to be handled directly by the respective Sub-Syndicate Member.

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

Members of the Syndicate / RTAs / CDPs (uploading charges)	₹ [●] per valid application (plus applicable taxes) #
Sponsor bank	₹ [●] per valid Application Form (plus applicable taxes)

The Sponsor bank shall be responsible for making payments to the third parties such as remitter company, NPCI and such other parties as required in connection with the performance of its duties under



\*For each valid application by respective Sponsor Bank

#Notwithstanding anything contained above in this clause the total Uploading charges/ Processing fees for applications made by RIBs (up to ₹ 200,000), Non-Institutional Bidders (for an amount more than ₹ 200,000 and up to ₹ 500,000) using the UPI Mechanism would not exceed ₹ [●] lakhs (plus applicable taxes) and in case if the total uploading charges/ processing fees exceeds ₹ [●] lakhs (plus applicable taxes) then uploading charges/ processing fees using UPI Mechanism will be paid on pro-rata basis (plus applicable taxes).

- (5) Selling Commission on portion for Retail Individual Bidders (up to ₹ 2,00,000) and Non-Institutional Bidders which are procured by Members of the Syndicate (including their sub-Syndicate Members), RTAs, CRTAs and CDPs or for using 3- in-1 type accounts - linked online trading, demat and bank account provided by some of the Registered Brokers which are Members of the Syndicate (including their Sub-Syndicate Members) would be as follows:

Portion for Retail Individual Bidders	[●]% of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Bidders	[●]% of the Amount Allotted* (plus applicable taxes)

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

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

Bidding charges payable to the members of the Syndicate (including their sub-Syndicate Members), Registered Brokers, CRTAs/CDPs on the portion for, RIBs and Non-Institutional Bidders which are directly procured by the Registered Brokers or CRTAs or CDPs and submitted to SCSB for processing/ blocking, would be as follows:

Portion for Retail Individual Bidders*	₹ [●]/- per valid application (plus applicable taxes)
Portion for Non-Institutional Bidders*	₹ [●]/- per valid application (plus applicable taxes)

\* Based on valid applications

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

The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member.

The selling commission and bidding charges payable to Registered Brokers, the RTAs, CRTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the bid book of the Stock Exchange.

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Bank Agreement.

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

The Issue expenses shall be payable in accordance with the arrangements or agreements entered into by our Company with the respective Designated Intermediary.

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Syndicate / Sub-Syndicate Member shall not be able to accept Bid cum Application Form above ₹500,000 and the same Bid cum Application Form need to be submitted to SCSB for blocking of the fund and uploading on the exchange bidding platform. To identify bids submitted by Syndicate / Sub-Syndicate Member to SCSB a special Bid cum Application Form with a heading / watermark "Syndicate ASBA" may be used by Syndicate / Sub-Syndicate Member along with SM code & Broker code mentioned on the Bid cum Application Form to be eligible for brokerage on Allotment. However, such special forms, if used for RIB Bids and NIB Bids up to ₹500,000 will not be eligible for brokerage. The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and such payment of processing fees to the SCSBs shall be made in compliance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

## Bridge Financing Facilities

We have not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

### **Interim Use of Funds**

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in one or more Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilisation of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

### **Monitoring Utilization of Funds**

As the size of the Fresh Issue does not exceed ₹10,000 Lakhs, in terms of Regulation 262 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.

Pursuant to Regulation 32 of the SEBI (LODR) Regulation, 2015, our Company shall on a half-yearly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Until such time as any part of the Net Proceeds remains unutilized, our Company will disclose the utilization of the Net Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Net Proceeds have been utilized so far, and details of amounts out of the Net Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Net Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a Fiscal Year, we will utilize such unutilized amount in the next financial year. Further, in accordance with Regulation 32(1)(a) of the SEBI (LODR) Regulation, 2015 our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Net Proceeds for the objects stated in this Draft Red Herring Prospectus

### **Variation in Objects**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the Objects, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with our Articles of Association, the Companies Act, 2013 and SEBI Regulations.

### **Appraising agency**

None of the objects of the Fresh Issue for which the Net Proceeds will be utilized have been appraised by any bank/ financial institution/any other agency.

### **Other Confirmations**

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

## BASIS FOR THE OFFER PRICE

The Issue Price will be determined by our Company, in consultation with the BRLM, on the basis of assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹ 5 each and the Issue Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Investors should also refer to “*Risk Factors*”, “*Our Business*” and “*Financial Information*” beginning on [●], [●] and [●], respectively, to have an informed view before making an investment decision.

### Qualitative Factors

Some of the qualitative factors which form the basis for the Issue Price are:

1. Our Manufacturing Facility is strategically located in close proximity to our raw material sources i.e. Jagdari Railway Workshop from where we procure high-quality alloy, which minimises our transportation costs and provides logistics advantage and cost benefits resulting in improved operating margins.
2. Our company has recognised for good quality standards and is certified as class A foundry by Indian Railways.
3. We have fully equipped and RDSO approved manufacturing facility.
4. Our Promoters have vast knowledge and experience in the metallurgical engineering. Our Promoters are complemented by a professional management team which shares the same vision and values as them to drive our growth.

For further information, please see “*Our Business*” on page 128.

### Quantitative Factors

Some of the information presented in this chapter is derived from the Restated Financial Information. For further information, please see “*Financial Information*” on page 179.

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

#### 1. Basic and Diluted Earnings per Share

Financial Year ended	Basic and Diluted EPS (₹)	Weights
March 31, 2024	7.40	3
March 31, 2023	2.79	2
March 31, 2022	0.72	1
Weighted Average	<b>4.75</b>	

*As certified by Bagaria & Co LLP, Chartered Accountants pursuant to their certificate dated September 13, 2024*

#### Notes:

- a. *Basic EPS = Net Profit after tax, as restated, attributable to owner of the company divided by weighted average no. of equity shares outstanding during the year.*
- b. *Diluted EPS = Net Profit after tax, as restated, attributable to owner of the company divided by weighted average no. of diluted equity shares outstanding during the year.*
- c. *Weighted average is aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. {(EPS x Weight) for each year} / {Total of weights}*
- d. *The basic and diluted earnings per share for the Equity Shares of our Company has been presented to reflect the adjustments for split of equity shares and issue of bonus shares.*
- e. *The above statement should be read in conjunction with Significant Accounting Policies and Notes to Restated Financial Information of “Financial Information” on page 179.*

#### 2. Price Earnings Ratio (“P/E”) in relation to the Price Band of ₹ [●] to [●] per share of ₹ 5 each

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

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

Particulars	Industry P/E
Highest	31.30
Lowest	22.50
Industry Average	26.03

Source: The industry high and low has been considered from the industry peer set provided later in this section. The industry average has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section.

As certified by Bagaria & Co LLP, Chartered Accountants pursuant to their certificate dated September 13, 2024

### 3. Return on Net Worth (RoNW)

Financial Year ended	RoNW(%)	Weight
March 31, 2024	99.20%	3
March 31, 2023	10.24%	2
March 31, 2022	6.09%	1
Weighted Average	<b>54.05%</b>	

As certified by Bagaria & Co LLP, Chartered Accountants pursuant to their certificate dated September 13, 2024

#### Notes:

- Return on Net Worth (%) = Net Profit after tax attributable to owner of the company, as restated for the end of the year divided by Average Net worth as at the end of the year.
- Average net worth means the average of the net worth of current and previous financial year. Net worth means the aggregate value of the paid-up share capital and other equity attributable to the owners of the company.
- Weighted average is aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. {(RoNW x Weight) for each year} / {Total of weights}

### 4. Net Asset Value (“NAV”)

Net Asset Value per equity share	(₹)
As at March 31, 2024	7.29
After the completion of the Issue:	
a) At Floor Price	[●]
b) At Cap price	[●]
Issue Price	[●]

As certified by Bagaria & Co LLP, Chartered Accountants pursuant to their certificate dated September 13, 2024

#### Notes:

- Net Asset Value per share = Net Worth at the end of the year divided by weighted average no. of equity shares outstanding during the year
- The weighted average number of equity shares has been presented to reflect the adjustments for split of equity shares and issue of bonus shares.

### 5. Comparison with Listed Industry Peers

Name of the Company	Revenue from Operations (₹ in lakhs)	Face Value per equity share (₹)	P/E	EPS (Basic) (₹)	EPS (Diluted) (₹)	RoNW (%)	NAV per equity share (₹)
Neetu Yoshi Limited	4,733.42	5.00	[●]	7.40	7.40	99.24%	11.62
<b>Listed Peers</b>							
Gujarat Intrux Ltd	5,720.18	10.00	24.30	21.57	21.57	12.35%	180.46
Nelcast Ltd	1,26,694.25	2.00	31.30	6.25	6.25	10.96%	60
Steelcast Ltd	40,981.45	5.00	22.50	37.06	37.06	30.94%	133.21

Source: All the financial information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from the annual reports as available of the respective company for the year ended March 31, 2024 submitted to stock exchanges. The financial information of our Company is based on the restated financial information for the year ended March 31, 2024.

**Notes:**

- P/E Ratio has been computed based on the closing market price of equity shares on NSE / BSE on September 9, 2024, divided by the Diluted EPS.
- Return on net worth is calculated as Net Profit after tax attributable to owner of the company, as restated for the end of the year divided by Average Net worth as at the end of the year.
- NAV is computed as the net worth at the end of the year divided by weighted average no. of equity shares outstanding during the year.
- The basic and diluted earnings per share for the Equity Shares of our Company has been presented to reflect the adjustments for split of equity shares and issue of bonus shares.

## 6. Key Performance Indicators

The table below sets forth the details of KPIs that our Company considers have a bearing for arriving at the basis for Issue Price. The key financial and operational metrics set forth below, have been approved and verified by the Audit Committee pursuant to its resolution dated September 13, 2024. Further, the Audit Committee has on September 13, 2024 taken on record that other than the key financial and operational metrics set out below, our Company has not disclosed any other key performance indicators during the three years preceding this Draft Red Herring Prospectus with its investors. The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help it in analyzing the growth of various verticals in comparison to our Company's listed peers, and other relevant and material KPIs of the business of our Company that have a bearing for arriving at the Basis for Issue Price have been disclosed below. Additionally, the KPIs have been certified by way of certificate dated September 13, 2024 issued by Bagaria & Co LLP, Chartered Accountants, who hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Bidders can refer to the below-mentioned KPIs, being a combination of financial and operational KPIs, to make an assessment of our Company's performances and make an informed decision.

A list of our KPIs for the Financial Years ended March 31, 2024, 2023 and 2022 is set out below:

Particulars	<i>(₹ in lakhs, unless stated otherwise)</i>		
	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
<b>Financial</b>			
Revenue from Operations (1)	4,733.42	1,623.07	458.85
Gross Profit (2)	2,306.27	327.19	56.29
Gross Profit Margin (3)	48.72%	20.16%	12.27%
EBITDA (4)	1,706.62	110.79	13.36
EBITDA Margin (5) (in %)	36.05%	6.83%	2.91%
Net Profit after tax (6)	1,258.23	42.32	7.03
Net Profit Margin (7) (in %)	26.58%	2.61%	1.53%
Return on Net Worth (8) (in %)	99.20%	10.24%	6.09%
Return on Capital Employed (9) (in %)	43.74%	6.28%	3.23%

As certified by Bagaria & Co LLP, Chartered Accountants pursuant to their certificate dated September 13, 2024

**Notes:**

- Revenue from operations represents the revenue from sale of products of our Company as recognized in the Restated financial information.
- Gross profit represents revenue from operations less cost of goods sold. Cost of goods sold comprises of cost of materials consumed, Purchases of Stock-In-Trade and Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade.

- (3) Gross profit margin is calculated as gross profit as a percentage of revenue from operations.
- (4) 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.
- (5) EBITDA margin is calculated as EBITDA as a percentage of revenue from operations.
- (6) Net Profit after tax represents the restated profits of our Company after deducting all expenses.
- (7) Net Profit margin is calculated as restated net profit after tax for the year/period divided by revenue from operations.
- (8) 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.
- (9) Return on capital employed calculated as Earnings before interest and taxes divided by average capital employed (average capital employed calculated as aggregate value of total equity, total debt and deferred tax liabilities of the current financial year/period).

#### Explanation for the Key Performance Indicators:

KPIs	Explanations
Revenue from Operations (₹ in lakhs)	Revenue from Operations is used by our management to track the revenue profile of our business and in turn helps assess the overall financial performance of our Company and size of our business.
Gross Profit (₹ in lakhs)	Gross Profit provides information regarding the efficiency of the production process of our business.
Gross Profit Margin (in %)	Gross Profit Margin is an indicator of the efficiency of the production process of our business.
EBITDA (₹ in lakhs)	EBITDA provides information regarding the operational efficiency of our business.
EBITDA Margin (in %)	EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Net Profit after tax (₹ in lakhs)	Net Profit after tax provides information regarding the overall profitability of our business.
Net Profit Margin (in %)	Net Profit Margin is an indicator of the overall profitability and financial performance of our business.
Return on Net Worth (in %)	Return on Net Worth provides how efficiently our Company generates profits from shareholders' funds.
Return on Capital Employed (in %)	Return on Capital Employed provides how efficiently our Company generates earnings from the capital employed in our business.

The above KPIs of our Company have also been disclosed, along with other key financial and operating metrics, in '*Our Business*' and '*Management Discussion and Analysis of Financial Condition Results of Operations*' on pages 128 and 273, respectively. All such KPIs have been defined consistently and precisely in '*Definitions and Abbreviations*' on page 2.

Our Company shall continue to disclose the KPIs disclosed hereinabove in this section on a periodic basis, at least once in a year (or for any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares, or until the utilization of Issue Proceeds, whichever is later, on the Stock Exchanges pursuant to the Issue, or for such other period as may be required under the SEBI ICDR Regulations.

**Comparison of our key performance indicators with listed industry peers for the Financial Years/ periods included in the Restated Financial Information:**

(₹ in lakhs)

Particulars	Gujarat Intrux ltd			Nelcast Ltd			Steelcast Ltd		
	Financial Year 2024	Financial Year 2023	Financial Year 2022	Financial Year 2024	Financial Year 2023	Financial Year 2022	Financial Year 2024	Financial Year 2023	Financial Year 2022
Revenue from Operations <sup>(1)</sup>	5,720.18	5,143.82	4,247.69	1,26,694.25	1,26,397.42	92,734.07	40,981.45	47,683.39	30,204.02
Gross Profit <sup>(2)</sup>	2,570.65	2,265.32	1,835.01	70,757.24	63,058.33	47,390.09	30,822.97	34,358.49	23,402.92
Gross Profit Margin <sup>(3)</sup>	44.94%	44.04%	43.20%	55.85%	49.89%	51.10%	75.21%	72.06%	77.48%
EBITDA <sup>(4)</sup>	1014.61	831.3	501.35	9226.55	7936.29	5808.77	11718.57	11397.52	6370.11
EBITDA Margin (in %) <sup>(5)</sup>	17.74%	16.16%	11.80%	7.28%	6.28%	6.26%	28.59%	23.90%	21.09%
Net Profit after tax <sup>(6)</sup>	741.48	573.83	304.86	5441.12	2973.54	1422.47	7500.21	7052.46	3327.18
Net Profit Margin (in %) <sup>(7)</sup>	12.96%	11.16%	7.18%	4.29%	2.35%	1.53%	18.30%	14.79%	11.02%
Return on Net Worth (in %) <sup>(8)</sup>	12.35%	10.30%	5.82%	10.96%	6.50%	3.24%	30.94%	37.94%	23.32%
Return on Capital Employed (in %) <sup>(9)</sup>	14.31%	11.96%	6.44%	7.94%	6.99%	4.89%	37.93%	40.62%	23.81%
Debt-Equity Ratio <sup>(10)</sup>	-	0.00	0.00	0.63	0.64	0.63	0.00	0.11	0.40

Notes:

Source: All the information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from their respective investor presentation/ annual reports available in public domain. The ratios have been computed as per the following definitions.

- 1) Revenue from operations represents the revenue from sale of products of our Company as recognized in the Restated financial information.
- 2) Gross profit represents revenue from operations less cost of goods sold. Cost of goods sold comprises of cost of materials consumed, Purchases of Stock-In-Trade and Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade.
- 3) Gross profit margin is calculated as gross profit as a percentage of revenue from operations.
- 4) 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.
- 5) EBITDA margin is calculated as EBITDA as a percentage of revenue from operations.
- 6) Net Profit after tax represents the restated profits of our Company after deducting all expenses.
- 7) Net Profit margin is calculated as restated net profit after tax for the year/period divided by revenue from operations.
- 8) 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.
- 9) Return on capital employed calculated as Earnings before interest and taxes divided by average capital employed (average capital employed calculated as aggregate value of total equity, total debt and deferred tax liabilities of the current financial year/period).
- 10) 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 and reserves and surplus.



## Weighted average cost of acquisition (“WACA”)

### 7. The price per share of our Company based on the primary/ new issue of shares (equity/ convertible securities)

The details of the Equity Shares, excluding shares issued under ESOP and issuance of bonus shares, during the eighteen (18) months preceding the date of this Draft Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Issue capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling thirty (30) days (“Primary Issuance”) are as follows:

Date of allotment	Number of shares issued	Face value (₹)	Issue price per share (₹)	Nature of allotment	Nature of consideration	Total consideration (in ₹ lakhs)
March 28, 2023	10,00,000	10.00	20	Rights Issue	Other than Cash	200.00
February 28, 2024	1598800	10.00	10	Rights Issue	Cash	159.88
July 19, 2024	13,61,000	5.00	62.00	vate Placement	Cash	843.82
<b>Weighted average cost of acquisition</b>						<b>18.35<sup>^</sup></b>

<sup>^</sup> As certified by Bagaria & Co LLP, Chartered Accountants pursuant to their certificate dated September 13, 2024

### 8. The price per share of our Company based on secondary sale/ acquisitions of shares (equity / convertible securities)

There have been no secondary sale / acquisitions of Equity Shares or any convertible securities (“Security(ies)”), where the Promoter, members of the Promoter Group, or Shareholder(s) having the right to nominate director(s) in the board of directors of our Company are a party to the transaction (excluding gifts), during the eighteen (18) months preceding the date of this Draft Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-Issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling thirty (30) days.

### 9. Weighted average cost of acquisition, floor price and cap price

Type of Transactions	WACA (in ₹)	Floor Price (₹ [●]) *	Cap Price (₹ [●]) *
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity/ convertible securities), excluding shares issued under ESOP 2018 and issuance of bonus shares, during the 18 months preceding the date of this certificate, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	18.35#	[●] times	[●] times
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares equity/convertible securities), where our Promoters or Promoter Group entities or Selling Shareholders or shareholder(s) having the right to nominate director(s) in	N/A <sup>^</sup>	[●] times	[●] times



Type of Transactions	WACA (in ₹)	Floor Price (₹ [●]) *	Cap Price (₹ [●])*
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our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of this certificate, where either acquisition or sale is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days

*As certified by Bagaria & Co LLP, Chartered Accountants pursuant to their certificate dated September 13, 2024*

*\*To be updated at Prospectus stage*

*# Adjusted for split of shares from Rs. 10 per share to Rs. 5 per share pursuant to board resolution dated May 30, 2024.*

*^ There were no secondary sales / acquisition of shares where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of our Company in last eighteen (18) months prior to the date of this Draft Red Herring Prospectus.*

10. **Explanation for Issue Price / Cap Price being [●] price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in [●] above) along with our Company’s key performance indicators and financial ratios for the Financial Years ended March 31, 2024, 2023 and 2022.**

[●]\*

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

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

[●]\*

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

The Issue Price of ₹ [●] has been determined by our Company, in consultation with the BRLM, on the basis of the demand from investors for the Equity Shares issued through the Book-Building Process. Our Company, in consultation with the BRLM, is justified of the Issue Price in view of the above qualitative and quantitative parameters. Investors should read the abovementioned information along with “**Risk Factors**”, “**Our Business**” and “**Financial Information**” on pages 29, 128 and 179, respectively to have a more informed view.

The trading price of the Equity Shares could decline due to the factors mentioned in the section titled “**Risk Factors**” beginning on page 29 or any other factors that may arise in the future and you may lose all or part of your investments.

## STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

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

To,

**The Board of Directors,**  
Neetu Yoshi Limited,  
2/155, Jakhan, Raipur Road,  
Dehradun, Uttarakhand- 248001

Horizon Management Pvt. Ltd.  
19, R. N. Mukherjee Road,  
2nd Floor, Kolkata - 700001

Dear Sirs,

**Re: Proposed initial public offering of Equity shares of face value of Rs. 5 each (the “Equity Shares” and such initial public offer, an “IPO” or “Issue”) of Neetu Yoshi Limited (the “Company”)**

We hereby report that this certificate along with the annexure states the special tax benefits available to the Company and the shareholders of the Company under the Income Tax Act, 1961 (‘IT Act’) (read with Income Tax Rules, Circulars and Notifications) as amended by the Finance Act, 2024 (i.e. applicable to F.Y. 2024-25 relevant to A.Y. 2025-26) (hereinafter referred to as the “IT Regulations”) and under the Goods And Service Tax Act, 2017 (read with Goods And Service Tax[GST] Rules, Circulars and Notifications), presently in force in India. The Statement has been prepared by the management of the Company in connection with the proposed Public Issue, which we have initialed for identification purposes only.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the said relevant provisions of the tax laws and regulations applicable to the Company. Hence, the ability of the Company or its shareholders to derive the special tax benefits, if any, is dependent upon fulfilling such conditions, which based on business imperatives, which the Company may or may not choose to fulfil or face in the future.

The benefits discussed in the enclosed Annexure cover the special tax benefits available to the Company and its shareholders but does not cover any general tax benefits available to the Company and its shareholders. Further, the preparation of the enclosed Annexure and its contents is the responsibility of the management of the Company and is not exhaustive. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing Tax Laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares of the Company comprising a fresh issue of the Equity Shares by the Company. Neither we are suggesting nor advising the investors to invest money based on this Statement.

We conducted our examination in accordance with the “Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)” (the “Guidance Note”) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

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

- the Company and its shareholders will continue to obtain these tax benefits in future; or
- the conditions prescribed for availing the special tax benefits where applicable, have been/ would be met with.

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

Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of the Tax Laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to the Company and any other person in respect of this Statement, except as per applicable law.

We hereby consent for inclusion of this certificate or any extracts or annexures thereof, in full or part, in the Draft Red Herring Prospectus (DRHP), Red Herring Prospectus (RHP), and the Prospectus (Prospectus and together with DRHP and RHP, the "Offer Documents"), to be filed with the Registrar of Companies at Uttarakhand (ROC) and submitted with Emerge platform of National Stock Exchange of India where the equity shares of the Company are proposed to be listed (the "Stock Exchange") with respect to the Issue, and in any other material used in connection with the Issue and may be relied upon by the Company, the Book Running Lead Manager and legal advisor appointed in relation to the Issue by the BRLM and the legal advisor in relation to the Issue.

SD/-

Yours faithfully,

For and on behalf of

**Bagaria & Co. LLP**

Chartered Accountants,

Firm Registration No.: 113447W/W-100019

**Vinay Somani**

Partner

Membership No.: 143503

UDIN: 24143503BKDZOU5747

Place: Mumbai

Date: September 13, 2024

**ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO NEETU YOSHI LIMITED (“THE COMPANY”) AND IT’S SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA**

Outlined below are the special tax benefits available to the Company and its shareholders as per the Income tax Act, 1961 (“IT Act”) as amended from time to time and applicable for financial year 2024-25 relevant to assessment year 2025-26 (AY 2025-26) and Indirect Tax Laws as amended from time to time and applicable for financial year 2024-25. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

**I. Under the IT Act**

**1. Special Tax Benefits to the Company**

- Lower Corporate Tax rate under Section 115BAA

A new Section 115BAA has been inserted by the Taxation Laws (Amendment) Act, 2019 (“the Amendment Act, 2019”) granting an option to domestic companies to compute corporate tax at a reduced rate of 25.17% (22% plus surcharge of 10% and cess of 4%) from the Financial Year 2019-20, provided such companies do not avail specified exemptions/incentives (e.g. deduction under Section 10AA, 32(1) (iia), 33ABA, 35(2AB), 80-IA etc.) The Amendment Act, 2019 also provides that domestic companies availing such option will not be required to pay Minimum Alternate Tax (“MAT”) under Section 115JB. The CBDT has further issued Circular 29/2019 dated October 02, 2019 clarifying that since the MAT provisions under Section 115JB itself would not apply where a domestic company exercises option of lower tax rate under Section 115BAA, MAT credit would not be available. Corresponding amendment has been inserted under Section 115JAA dealing with MAT credit.

The company has exercised the above option since the Financial Year 2020-21 till Financial Year 2022-23.

A new Section 115BAB has been inserted by the Taxation Laws (Amendment) Act, 2019 (“the Amendment Act, 2019”) granting an option to domestic companies to compute corporate tax at a reduced rate of 17.16% (15% plus surcharge of 10% and cess of 4%) from the Financial Year 2022-23, provided such companies do not avail specified exemptions/incentives (e.g. deduction under Section 10AA, 32(1) (iia), 33ABA, 35(2AB), 80-IA etc.)

The Amendment Act, 2019 also provides that domestic companies availing such option will not be required to pay Minimum Alternate Tax (“MAT”) under Section 115JB. The CBDT has further issued Circular 29/2019 dated October 02, 2019 clarifying that since the MAT provisions under Section 115JB itself would not apply where a domestic company exercises option of lower tax rate under Section 115BAB, MAT credit would not be available. Corresponding amendment has been inserted under Section 115JAA dealing with MAT credit.

The company has exercised the above option in the Financial Year 2023-24.

**2. Special Tax Benefits available to Shareholders**

There are no Special Tax Benefits available to the Shareholders (other than Resident Corporate Shareholder) of the Company.

With respect to a Resident Corporate Shareholder, a new section 80M is inserted in the Finance Act, 2020, to remove the cascading effect of taxes on inter-corporate dividends during financial year 2020-21 and thereafter. The section provides that where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other Domestic Company or a Foreign Company or a Business Trust, there shall, in accordance with and subject to the provisions of this section,

be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other Domestic Company or Foreign Company or Business Trust as does not exceed the amount of dividend distributed by it on or before the due date. The “due date” means the date one month prior to the date for furnishing the return of income under sub-section (1) of section 139.

**NOTES:**

- The above statement of Special Tax Benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
- The above statement covers only certain Special Tax Benefits under the Act, read with the relevant rules, circulars and notifications and does not cover any benefit under any other law in force in India. This statement also does not discuss any tax consequences, in the country outside India, of an investment in the shares of an Indian company.
- The above statement of Special Tax Benefits is as per the current Direct Tax Laws relevant for the assessment year 2025-26. Several of these benefits are dependent on the Company or its Shareholders fulfilling the conditions prescribed under the relevant provisions of the Tax Laws.
- In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement, if any, entered into between India and the country in which the non-resident has fiscal domicile.
- As the Company has opted for concessional corporate income tax rate as prescribed under section 115BAA and 115BAB of the Act, it will not be allowed to claim any of the following deductions:
  - a. Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone)
  - b. Deduction under clause (iia) of sub-section (1) of section 32 (Additional Depreciation)
  - c. Deduction under section 32AD or section 33AB or section 33ABA (Investment allowance in backward areas, Investment deposit account, Site restoration fund)
  - d. Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section or subsection (2AA) or sub-section (2AB) of section 35 (Expenditure on scientific research)
  - e. Deduction under section 35AD or section 35CCC (Deduction for specified business, agricultural extension project)
  - f. Deduction under section 35CCD (Expenditure on skill development)
  - g. Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA or section 80M;
  - h. No set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above
  - i. No set off of any loss or allowance for unabsorbed depreciation deemed so under section 72A, if such loss or depreciation is attributable to any of the deductions referred above

This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his or her tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.

**II. Under the Indirect Tax Laws**

**1. Special Indirect Tax Benefits available to the Company**

**2. Special Tax Benefits available to Shareholders**

The Shareholders of the Company are not entitled to any Special Tax Benefits under indirect tax laws

**NOTE:**

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses

relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

## SECTION – IV ABOUT OUR COMPANY

### INDUSTRY OVERVIEW

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

*Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect and, accordingly, investment decisions should not be based on such information. You should read the entire Draft Red Herring Prospectus, including the information contained in the chapters titled “**Risk Factors**” and “**Financial Statements**” and related notes beginning on page 29 and 179 of this Draft Red Herring Prospectus.*

### INDIAN ECONOMIC OVERVIEW

Union Minister for Finance, Ms. Nirmala Sitharaman, presented the Economic Survey 2023-24 in the Parliament on July 22, 2024. The key highlights of the Economic Survey 2023-24 are as follows:

- In response to the pandemic, India has responded in three components: first, by focusing on public spending on infrastructure; second, by a natural response of business enterprise and public administration amidst adversities, i.e., digitalisation of service delivery; and third, by ‘Atmanirbhar Bharat Abhiyan’ in terms of targeted relief to different sectors of the economy and sections of the population, and structural reforms that assisted a firm recovery and increased the medium-term growth potential.
- Construction activities displayed increased momentum and registered a growth of 9.9% in FY24 due to the infrastructure buildout and buoyant commercial and residential real estate demand.
- Private final consumption expenditure (PFCE) grew by 4.0% in real terms in FY24.
- Gross Fixed Capital Formation (GFCF) by private non-financial corporations increased by 19.8% in FY23.
- In 2023, residential real estate sales in India were at their highest since 2013, witnessing a 33% YoY growth, with a total sale of 4.1 lakh units in the top eight cities.
- New supply witnessed an all-time high, with 5.2 lakh units launched in 2023, as against 4.3 lakh units in 2022. The momentum continued in Q1 of 2024, witnessing record-breaking sales of 1.2 lakh units, clocking a robust 41% YoY growth.
- Corporate bond issuances in FY24 were up by 70.5%, with private placement remaining the preferred channel for corporates. Outstanding corporate bonds were up by 9.6% (YoY) as of the end of March 2024.
- In FY24 total government expenditure (as per the provisional actuals) declined to 15.0% of GDP from 17.7% in FY21.
- The provisional actuals show that capital expenditure for FY24 stood at Rs. 9.5 lakh crore (US\$ 113.73 billion), an increase of 28.2% on a YoY basis, and was 2.8x the level of FY20.
- The gross fiscal deficit of 23 states was 8.6% lower than the budgeted figure of Rs. 9.1 lakh crore (US\$ 108.94 billion). This implies that fiscal deficit as a per cent of GDP for these states came in at 2.8% as against a budgeted 3.1%.
- The weighted average maturity of the outstanding stock of dated securities of the Government has increased from 9.6 years in end-March 2011 to 12.5 years in end-March 2024.
- For the first time in 13 years, S&P Global Ratings upgraded India's sovereign credit rating outlook from ‘stable’ to ‘positive’ in May 2024 on the back of robust economic growth, sound economic fundamentals and improved composition of government spending.
- The Gross Non-Performing Assets (GNPA) ratio declined to 2.8% in March 2024, a 12-year low.
- India's service exports have remained robust, reaching a new high of US\$ 341.1 billion in FY24. Exports (merchandise and services) in FY24 grew by 0.15%, while the total imports declined by 4.9% despite a strong domestic market demand.

- the Current Account Deficit (CAD) stood at 0.7% of the GDP during the year, an improvement from the deficit of 2.0% of GDP in FY23.
- Despite innovations, government capital expenditure remains central to funding large-scale infrastructure projects. The gross budgetary support (GBS) for railways and highways rose from 36.4% in FY21 to 42.9% in FY24.
- The Government of India achieved its highest-ever asset monetisation revenue of Rs. 40,314 crores (US\$ 4.83 billion) in FY24, with over Rs. 1 lakh crores (US\$ 12 billion) raised through asset monetisation since FY19.
- Capital investment in road transport rose to about 1.0% of GDP to around Rs. 3.01 lakh crores (US\$ 36.09 billion) in FY24, with significant private investment attracting a conducive policy environment.
- The national highway network increased by 1.6 times from 2014 to 2024, with the construction pace improving from 11.7 km/day in FY14 to ~34 km/day in FY24.
- Capital expenditure on Indian Railways increased by 77% over five years, reaching Rs. 2.62 lakh crores (US\$ 31.41 billion) in FY24, with over 68,584 route km and 12.54 lakh employees.
- Major port capacity has nearly doubled since 2014, with India's rank improving to 22nd in the World Bank Logistics Performance Index for international shipments.
- Under the Sagarmala programme, 839 projects worth Rs. 5.8 lakh crores (US\$ 69.54 billion) have been initiated, with 262 projects completed and 217 under implementation.

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

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time periods. India's current account deficit (CAD) narrowed to 1.2% of GDP in the October-December quarter.

Exports fared remarkably well during the pandemic and aided recovery when all other growth engines were losing steam in terms of their contribution to GDP. Going forward, the contribution of merchandise exports may waver as several of India's trade partners witness an economic slowdown.

(Source: [IBEF](#))

### **Recent Development**

For the month of March 2024, the Quick Estimates of Index of Industrial Production (IIP) with base 2011-12 stands at 159.2. The Indices of Industrial Production for the Mining, Manufacturing and Electricity sectors for the month of March 2024 stand at 156.1, 155.1 and 204.2 respectively. These Quick Estimates will undergo revision in subsequent releases as per the revision policy of IIP.

The IIP growth rates for the month of March 2024 over the corresponding period of previous year is 4.9 percent. The growth rates of the three sectors, Mining, Manufacturing and Electricity for the month of March 2024 over March 2023 are 1.2 percent, 5.2 percent and 8.6 percent respectively. Within the manufacturing sector, the growth rate of the top three positive contributors to the growth of IIP for the month of March 2024 are – "Manufacture of basic metals" (7.7%), "Manufacture of pharmaceuticals, medicinal chemical and botanical products" (16.7%), and "Manufacture of other transport equipment" (25.4%).

The cumulative growth rate for the period of April-March 2023-24 over the corresponding period of the previous year stands at 5.8 percent. The cumulative growth rates of the three sectors, Mining, Manufacturing and Electricity



for the period of April-March 2023-24 over the corresponding period of the previous year are 7.5 percent, 5.5 percent and 7.1 percent respectively.

As per Use-based classification, the indices stand at 162.2 for Primary Goods, 130.5 for Capital Goods, 167.5 for Intermediate Goods and 194.2 for Infrastructure/ Construction Goods for the month of March 2024. Further, the indices for Consumer durables and Consumer non-durables stand at 129.9 and 154.7 respectively for the month of March 2024.

The corresponding growth rates of IIP as per Use-based classification in March 2024 over March 2023 are 2.5 percent in Primary goods, 6.1 percent in Capital goods, 5.1 percent in Intermediate goods, 6.9 percent in Infrastructure/ Construction Goods, 9.5 percent in Consumer durables and 4.9 percent in Consumer non-durables. (Source: [PIB](#))

## **GLOBAL INDUSTRY OUTLOOK**

### **Metal Casting Market Overview**

The global metal casting market size was valued at USD 18.73 billion in 2016 and is expected to reach USD 39.94 billion by 2025, at a CAGR of 8.87% during the forecast period 2017-2025. As per the US Department of Energy, the use of lightweight casting materials such as magnesium and aluminium alloy can reduce the body & chassis weight up to 50%. Hence, in order to meet the stringent emission and fuel efficiency targets of the European Union (EU) and US Environmental Protection Agency (EPA), the use of lightweight materials has increased in the automotive industry. Multiple powertrains and body structure related components that are manufactured using these materials follow the casting process.

Additionally, rising vehicle production, coupled with growing demand for mid and premium segment vehicle production, coupled with growing demand for mid and premium segment vehicles and lack of alternative manufacturing processes are driving the growth of this market. OEMs are focusing on the production of electric and hybrid vehicles, which have a higher usage of lightweight materials, resulting in substantial growth in the metal casting industry.

(Source: <https://www.marketsandmarkets.com/>)

### **Overview of Railway Industry**

The rail transport market size has grown strongly in recent years, It will grow from \$546.13 billion in 2023 to \$582.61 billion in 2024 at a compound annual growth rate (CAGR) of 6.7%. The growth in the historic period can be attributed to strong economic growth in emerging markets, rise in e-commerce, change in taxation rules and rise in mining activity. The growth in the forecast period can be attributed to high-speed emissions and major trends in the forecast period.

The rail transport market size is expected to see growth in the next few years. It will grow to \$ 748.97 billion in 2028 at a compound annual growth (CAGR) of 6.5%. The growth in the forecast period can be attributed to high-speed trains, technological advances and emphasis on cutting carbon emission. Major trends in the forecast period include adopting head on generation (HOG) technology should to reduce their carbon footprints, increasing profitability of operations, and reduce operating costs and other fuel related expenses, harness digitalization to improve passengers experience and reduce costs, invest in connected mobility to enable drivers and their passengers to experience a much smoother trip and exploit obstacle detection assistance system to enhance passenger's safety and to reduce accidents.

### **Railway Equipment Market Overview**

The global railway equipment market size was USD 173411.03 million in 2022 and is expected to reach USD 248708.85 million by 2028, at CAGR of 6.19% during the forecast period.

The railway equipment market encompasses the production, distribution and maintenance of components vital for rail transportation. It includes rolling stock such as locomotives and coaches, infrastructure such as tracks and signaling, and maintenance services. Logistics and cargo services are also key components. Market participants range from rolling stock manufacturers to engineering firms and service providers. Influenced by government

policies and technological advancements this market is pivotal in global transportation, offering an efficient and sustainable mode for both passengers and cargo, constantly evolving to safety and efficiency.

The Asia Pacific (APAC) region with a particular emphasis on India and China, is positioned for substantial growth in the railroad equipment market share. India, closely following China, emerges as one of the largest and fastest-growing markets within APAC. The nation is directing noteworthy investments towards bolstering its rail transportation infrastructure, especially in rolling stock

(Source: [www.businessresearchinsights.com](http://www.businessresearchinsights.com))

## INDIA METAL CASTING MARKET

The India metal casting market size reached US\$ 12,473 Million in 2023 which is expected to reach US\$21,252 Million by 2032, exhibiting a growth rate (CAGR) of 5.8% during 2024-32.

Metal casting is the process of obtaining a desired geometrical shape by pouring hot liquid metal into a mold that contains a hollow cut out or cavity. This technique is used for the mass production of large and complex components while utilizing alloys with low melting points. Metal casting can be done with non-ferrous metals such as zinc, copper, aluminium, magnesium, lead, pewter and tin-based alloys. In India, metal casting is extensively used as it is cost- efficient and significantly reduces the amount of wasted scrap metal.

India represents one of the largest metal casting markets in the Asia Pacific region. The market is primarily driven by the rising demand for lightweight vehicles in the country due to the inflating incomes of consumers. The growing automotive industry and rapid urbanization and industrialization have also created a need for construction equipment. This is expected to increase the demand for metal castings across the country. Besides this, rising environmental awareness, which is stimulating the market growth. Moreover, the process of metal casting forms an integral part in the goods and equipment industry to produce a wide variety of home appliances, surgical instruments and critical components for aircraft and automobiles.

(Source: *Indian Metal Casting Market, IMARC Group*)

## INDIAN RAILWAY INDUSTRY

### INTRODUCTION

The Indian railway system is regarded as the foundation and lifeblood of the economy. Indian railways span thousands of kilometres practically covering the entire nation, making it the fourth largest in the world after the US, China, and Russia. The Railways Board, which has a monopoly over the provision of rail services in India, oversees overseeing the whole infrastructure. Due to its low cost and effective operations, railways continue to be the most popular means of transportation for most Indians when travelling long distances.

India's railway network is recognised as one of the largest railway systems in the world under single management. The railway network is also ideal for long-distance travel and movement of bulk commodities, apart from being an energy-efficient and economic mode of conveyance and transport. Indian Railways is the preferred carrier of automobiles in the country.

The government of India has focused on investing in railway infrastructure by making investor-friendly policies. It has moved quickly to enable Foreign Direct Investment (FDI) in railways to improve infrastructure for freight and high-speed trains. At present, several domestic and foreign companies are also looking to invest in Indian rail projects.

Indian railways launched Semi-high-speed self-propelled trains that have ultra-modern features like quick acceleration, a substantial reduction in travel time, a maximum speed of 160 kmph, on-board infotainment and GPS-based passenger information system, automatic sliding doors, retractable footsteps and Zero discharge vacuum bio-toilets, CCTV cameras etc. and other contemporary features as per global standards.

According to Indian Railways 2023 book, Indian railways plan to market semi-high-speed 'Vande Bharat' trains by 2025-26 to European, South American, and East Asian markets for exporting 'Made in India' trains.

Source: <https://www.ibef.org/industry/indian-railways>

## INVESTMENTS/DEVELOPMENTS

Following are some of the major investments and developments in India's railways sector:

- In 2024-25, Railways' capital expenditure is targeted at US\$ 30.33 billion (Rs. 2.52 lakh crore).
- **As on 31st January 2024, 41 trains of the Vande Bharat service are running on the Indian Railways, linking states with a Broad Gauge (B.G.) electrified network.**
- In October 2023, it was reported that, India's investments in infrastructure will rise to Rs. 143 trillion (US\$ 1.71 trillion) between the financial years 2024 and 2030, as per analytics firm CRISIL.
- The Indian Railways is likely to deliver 58 supercritical as well as 68 critical projects worth more than Rs.1,15,000 crore (US\$ 15.44 billion) in the next few years. 29 supercritical projects—spanning 1,044 km and costing Rs. 11,588 crore (US\$ 1.5 billion)—have been commissioned. Four projects worth Rs. 1,408 crore (US\$ 189.05 million) have been completed and the remaining projects are targeted for completion by March 2024.
- With a view to improve rail connectivity and ease travel for commuters, the Union Cabinet approved seven projects for the Ministry of Railways in August 2023 at a cost of around Rs. 32,500 crore (US\$ 3.93 billion). Spanning 35 districts in nine States - Uttar Pradesh, Bihar, Telangana, Andhra Pradesh, Maharashtra, Gujarat, Odisha, Jharkhand, and West Bengal, the projects will add 2,339 km to the existing network.
- One major development is the launch of the "Vande Bharat Express", India's first semi-high speed train. This train, which can reach speeds of up to 160 km/h, has been manufactured indigenously by the Indian Railways' Integral Coach Factory. It features several modern amenities such as onboard Wi-Fi, GPS-based passenger information system, and CCTV cameras.

## GOVERNMENT INITIATIVES

- As of January 2023, a total of 1724 kilometres of Dedicated Freight Corridor (DFC) had been commissioned, with 861 kilometres completed on the Eastern Dedicated Freight Corridor (EDFC) and 863 kilometres on the Western Dedicated Freight Corridor (WDFC).
- The Union Cabinet chaired by Prime Minister Mr. Narendra Modi announced about the MoU signed with USAID/India on June 14, 2023, help Indian Railways achieve Net Zero Carbon Emission by 2030.
- Indian Railways (IR) is proactively working towards the achievement of Net Zero Carbon Emission by 2030.
- Under the Union Budget 2023-24, capital outlay of Rs. 2.40 lakh crore (US\$ 29 billion) has been allocated to the Ministry of Railways, which is the highest ever outlay and about nine times the outlay made in 2013-14.
- In this Financial Year as on date, Indian Railways has laid 5100 Kms of new tracks. In this FY, average daily track comes out to be more than 14 Kms per day.

## SNAPSHOTS



- India has the 4th largest railway system in the world, behind only US, Russia and China.
- The Indian Railways consists of a total track length of 126,366 km with 7,335 stations. **5243 km of track length was achieved during 2022-23 as compared to 2909 Kms during 2021-22.**
- The railway sector in India aims to contribute about 1.5% to the country's GDP by building infrastructure to support 45% of the modal freight share of the economy.
- 785 electric locomotives produced in this FY 2022-23 up to 31st January 2023
- 6427 (98.8% of total stations) Stations have been equipped with Electrical/Electronic Signalling Interlocking System up to 31.05.2023.
- As on 31st January, 2024, 82 Vande Bharat train services are operating across the Indian Railways.

- Indian Railways has registered highest ever Freight Loading in any Financial year with 1512 MT freight loading in FY 2022-23
- Vision 2024 has been envisaged to achieve targets of 2024 MT freight loading by 2024.
- During 2014-22, 1544 km (377 km new line, 972 km Gauge conversion and 195 km Doubling) sections, falling fully/partly in North-eastern Region, have been commissioned at an average rate of 193 km per year, which is 190% more than average annual commissioning achieved during 2009-14 (66.6 km per year).
- 400 new generation Vande Bharat Trains to be manufactured during the next three years.

(Source: [investindia.gov.in](http://investindia.gov.in))

## **INDIAN RAILWAY EQUIPMENT MARKET OVERVIEW**

Indian Railway Equipment Market has valued at USD 12.31 Billion in 2023 and is anticipated to project robust growth in the forecast period with a CAGR of 3.61%. The Indian Railway Equipment market has witnessed significant growth in recent years, driven by the increasing government initiatives aimed at modernizing the railway infrastructure and enhancing passenger safety. With a vast network of over 67000 km of tracks, Indian Railways plays a crucial role in the country's transportation system. The government's substantial investments in the railway sector are evident in ambitious projects like the Dedicated Freight Corridor and the High-Speed Rail Project, which are set to revolutionize transportation in India.

Moreover, the demand for advanced signalling systems, train control systems, and the rolling stock is expected to experience a surge, further stimulating the growth of the railway equipment market. These technological advancements will not only improve the efficiency and reliability of train operation but also contribute to a safer and more comfortable journey for passengers. The integration of smart technologies, such as real-time monitoring and predictive maintenance, will enhance the overall performance and reduce downtime.

(Source: [www.techsciresearch.com](http://www.techsciresearch.com))

## **KEY CHALLENGES FOR CASTING & FORGING INDUSTRY**

### **Quality Control and Consistency**

Maintaining high standards of quality and consistency in casting and forging products can be challenging. Variability in raw materials, inconsistent manufacturing processes, and inadequate quality control systems can result in defects and product failures. Ensuring stringent quality checks and standardized procedures is essential but can be difficult to implement uniformly across the industry.

### **Raw Material Costs and Supply Chain Issues**

The cost and availability of raw materials, such as metals and alloys, can fluctuate significantly, impacting the overall cost structure of casting and forging operations. Supply chain disruptions, whether due to global market conditions or local logistical issues, can lead to delays and increased costs. Managing these supply chain risks while maintaining cost-effectiveness is a major challenge for the industry.

### **Infrastructure and Logistics Constraints**

Inadequate infrastructure and logistical challenges pose significant obstacles for the casting and forging industry. Poor road conditions, insufficient warehousing facilities, and unreliable transportation networks can lead to delays and increased costs in the supply chain. These issues can affect timely delivery of raw materials and finished products, impacting the overall efficiency and profitability of manufacturing operations.

### **Skilled Labor Shortage**

The casting and forging industry in India faces a shortage of skilled labor, which impacts the quality and efficiency of production. There is a need for trained technicians and engineers who can operate advanced machinery and implement complex manufacturing processes. The gap in skill levels and the need for continuous training and development programs create additional hurdles for the industry in maintaining productivity and competitiveness.

## Competitive Landscape of Key Players in the Casting & Forging Industry in India

### Neetu Yoshi Ltd

### Kalyani Cast Tech Ltd

Kalyani Cast Tech Ltd was incorporated in September 2012 with the vision to provide integrated manufacturing facility for Steel, SG Iron and Cast Iron components using state of the art casting and machining facilities. They manufacture wide product range of castings, including finished components. They also manufacture various types of cargo containers viz ISO containers 20', 40' and other special containers including dwarf containers, cuboid containers, special containers for parcel cargo, containers for two & three wheelers as per International Standards.

### Nelcast Ltd

Nelcast is the Largest Jobbing Foundry in India for the manufacturing of Ductile & Grey Iron Castings. Our products cater to the Global Automotive, Tractor, Construction, Mining, Railways and General Engineering sectors and we are proud to have as our customers, the leading companies in these sectors worldwide. Established in 1985 with a modest capacity of just 1,000 Metric Tons/Year, Nelcast has focussed on producing superior quality castings for a wide range of Industries. This focus has helped it grow over the last three decades to a position of market leadership with a production capacity of 160,000 Metric Tons/Year.

### Gujrat Intrux Ltd

Gujarat Intrux Limited was established as a Public Limited Company in the year of 1992. Company has started Commercial Production of "Extrusion of non-ferrous copper and copper alloys" in Sept-1993. In Dec-1997 Company has set up "Sand Casting Foundry" Project. At present, Company is engaged in Manufacturing and supply of Stainless Steel, Non - Alloy Steel and alloy steel Castings. The present production capacity of foundry is 300 tons per month. The plant is equipped with all necessary infrastructure, equipments and Machineries. The company is connected with 1800KVA high tension power Connection.

### Steelcast Ltd

Steelcast have been catering to a host of Original Equipment Manufacturer (OEM) for Industry sectors like Earth Moving, Mining & Mineral Processing, Steel Plants, Cement, Thermal & Hydro Power, Valves & Pumps, Electro Locomotive, Aerobridge, Oil Field, Shipping and General Engineering. Their product range include Carbon Steel, Low Alloy Steel, High Alloy Steel, Maganese Steel and other Superior Grades of Wear and Abrasion Resistant Steel Castings produced by No Bake and Shell Molding Processes with world class quality control facilities.

### Competitive analysis based on FY24 financials

Indicative Financials	Revenue	EBITDA Margin	Net Profit Margin	Return on capital employed(ROCE)	Debt to Equity	Net Working Capital Turnover
Company Name	₹ Lakhs	%	%	%	Times	Times
Neetu Yoshi Limited	4,733.42	36.05	26.58	63.39	0.88	5.82
Kalyani Cast Tech Ltd	9,447.71	14.28	10.15	33.36	0.15	4.00
Nelcast Ltd	1,26,694.26	6.28	2.35	7.94	0.63	4.94
Gujrat Intrux Ltd	5,720.18	17.74	12.96	14.31	-	2.50
Steelcast Ltd	40,981.45	28.59	18.30	37.93	-	4.20

## OUR BUSINESS

*Some of the information in this chapter, including information with respect to our plans and strategies, contain forward looking statements that involve risks and uncertainties. You should read “Forward-Looking Statements” beginning on page 21 for a discussion of the risks and uncertainties related to those statements and also “Risk Factors”, “Restated Financial Statement” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 29, 179 and 273 respectively of this Draft Red Herring Prospectus, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.*

*The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Red Herring Prospectus, including the information contained in “Risk Factors”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Restated Financial Statement” beginning on pages 29, 273 and 179 respectively of this Draft Red Herring Prospectus. The financial figures used in this section, unless otherwise stated, have been derived from our restated audited financial statements. Further, all references to “Neetu Yoshi”, “NYL” ‘the Company’, ‘our Company’, and ‘the Issuer’ and the terms ‘we’, ‘us’ and ‘our’, are to Neetu Yoshi Limited.*

### OVERVIEW

We are a foundry with integrated CNC machine shop engaged in the business of manufacturing of customised products in different grades of ferrous metallurgical products. Our product portfolio covers different grades of mild steel, spheroidal graphite iron, cast iron and manganese steel, from as small as 0.2 Kgs to 500 Kgs finished metallurgical products. We are a RDSO certified vendor for manufacturing and supply of over 25 casting products for Indian Railways. We are also ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 accredited company which certifies our quality management, environmental management and occupational health & safety management system respectively, employed by us in our manufacturing facility. We combine modern manufacturing technology and engineering expertise with cost efficient processes, to deliver quality products at competitive prices. Our manufacturing operations are strengthened by our technical capabilities, infrastructure, and process knowledge.

We offer to our customers a comprehensive range of both standard and customised products. We have a diverse product portfolio of over 25 products supplemented by our ability to make customised products for our customers. As on the date of this Draft Red Herring Prospectus, we are majorly catering and serving Indian Railways through our finished metallurgical products which are used for production of critical safety products i.e. braking solutions, suspensions, propulsion aids & coupling attachments for trains of Indian railways and therefore serves as bogie components, LHB bogie component, coupler component for wagons, coach component for coach, locomotive component, railway track component for Indian Railways.

We started our journey in the year 2020 as a trading company dealing in sale of specific grade raw materials to the original equipment manufacturers of Indian Railways. With the commencement of our business, our Promoters namely Himanshu Lohia and Subodh Lohia conceptualised the idea of starting machining workshop to cater the requirement of machined products to original equipment manufacturers. In order to convert the concept into reality, our Company rented a factory shed in Rudrupur with CNC machines and commenced our commercial activity of machining railway components for original equipment manufacturers where we were procuring the casted, fabricated & forged parts from other manufacturers & supplying them OEMs after machining them as per their drawing & specification. Further, supported and motivated by the market response, we established our own Manufacturing Facility which enabled us to enter in a full-fledged business of metallurgical engineering to provide customised products in different grades of ferrous metallurgical products. Further as on date, our manufacturing facility is certified as Class “A” facility by RDSO and we are certified vendor for manufacturing and supply of various types of products for Indian Railways.

We operate through our manufacturing facility situated on land admeasuring approximately 7,173 Sq. Meters , located at Khasara No. 255/256, Fakkarhedi, Bhagwanpur, Uttarakhand (“**Manufacturing Facility**”). Our Manufacturing Facility is strategically located at just 72.6 kms from the Jagdari Railway Workshop, thereby providing easy access to high-quality alloy, which serves as raw material for us and is used in the melting process.



This proximity to essential raw materials further enhances our operational efficiency and competitiveness. Our Manufacturing Facility, being situated in the state of Uttarakhand also offers us to avail electricity at lower power tariffs, as the state of Uttarakhand offers one of the lowest power tariffs in the Country.

As of March 31, 2024, the aggregate installed capacity of our Manufacturing Facility was 4,493 metric tonnes per annum (“MTPA”). Our Manufacturing Facility is equipped with requisite infrastructure including melting facility, pouring facility, moulding facility, core making facility, sand preparation facility, fettling facility, machining facility, heat treatment facility, fabrication and forging and painting facility thereby facilitates smooth manufacturing process. Further, the process of casting is highly sensitive to raw material characteristics and therefore depends upon the suitability of raw material, therefore in order to ascertain the suitability of our raw materials, we have in-house testing facilities which enable us to conduct tests on raw materials to check their chemical composition to ensure that the product conform with the pre-determined standards and customers specifications. Our in-house testing facilities also enable us to carry out load testing, radiography, ultrasonic, chemical composition, tensile strength, yield strength, elongation, reduction in area, bend test, impact, microstructure analysis, magnetic particle inspection, liquid penetration inspection, etc. on finished products to ensure customer’s specification.

We are led by our Promoters, who possess experience in the metallurgy industry and has been intimately involved in our business from inception. Our Promoter continues to remain actively involved in our operations and continues to bring his vision, business acumen and leadership to our Company, which has been instrumental in sustaining our business operations and growth. We also have qualified and experienced Key Managerial Personnel who have demonstrated their ability to anticipate and capitalize on changing market trends, manage and grow our operations and leverage and deepen customer relationships. For further details, see “*Our Promoters*” and “*Our Management*” on page 172 and 160, respectively.

***Our key financial and operation information is as under:***

**Table set forth below are certain key operational and financial metrics for the periods indicated:**

Particulars	(₹ in Lakhs)		
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2022
Revenue from Operations (₹ in Lakhs)	4,733.42	1,623.07	458.85
Revenue from Operations growth (%)	191.63%	253.73%	-
Earnings before Interest, Depreciation, tax and amortization (EBITDA) (₹ in Lakhs)	1,706.62	110.80	13.35
EBITDA Growth (%)	1440.27%	729.96%	-
EBITDA Margin (%)	36.05%	6.83%	2.91%
Profit before Tax (PBT) (₹ in Lakhs)	1518.52	56.27	12.87
PBT Growth (%)	2598.58%	345.07%	-
PBT Margin (%)	32.08%	3.47%	2.80%
Profit after Tax from continuing Operations (PAT) (₹ in Lakhs)	1,258.23	40.32	7.03
PAT Growth (%)	3012.10%	475.11%	-
PAT Margin (%)	26.58%	2.49%	1.95%
Debt to Equity Ratio	0.88	1.48	-
Return on Equity (RoE) (%)	99.20%	10.24%	6.09%
Return on Capital Employed (RoCE) (%)	43.74%	6.28%	4.76%

\* All figures are as per Restated Financial Statements

As certified by M/s Bagaria & Co LLP, Chartered Accountants vide certificate dated September 13, 2024

**Notes:**

(1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements

(2) EBITDA is calculated as Profit before tax + Depreciation + Interest Expense – Other Income

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

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

(5) Net worth means the aggregate value of the paid-up share capital and reserves and surplus of the company less deferred tax assets.

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

(7) Return on Capital Employed is calculated as EBIT divided by average capital employed, which is defined as shareholders' equity plus long term borrowings plus deferred tax liabilities less deferred tax assets

## **OUR COMPETITIVE STRENGTHS**

We believe that the following are our principal strengths:

### ***Fully equipped and RDSO approved manufacturing facility***

We operate through our Manufacturing Facility situated on land admeasuring approximately 7,173 Sq. Meters, located at Khasara No. 255/256, Fakkarahedi, Bhagwanpur, Uttarakhand. We operate a single location unit having installed capacity of 4,493 metric tonnes per annum as on March 31, 2024 and as on the date of this Draft Red Herring Prospectus, the installed capacity has been expanded to 8,087 metric tonnes per annum (“**MTPA**”). Our manufacturing unit is equipped with latest equipment and trained manpower. Our manufacturing technology offers high operational efficiency to manufacture customised products as per customers specification. We believe that our Company's manufacturing technology, trained work force and managerial expertise results in a consistent level of productivity.

Further, our Manufacturing Facility is RDSO approved, and we are certified vendor for manufacturing and supply of over 25 products for Indian Railways. This prestigious RDSO approval is granted after a stringent process, which acts as a significant entry barrier, making it mandatory for Indian Railways and associated entities to procure supplies exclusively from RDSO approved vendors. Our ability to obtain the RDSO approval demonstrates our dedication of meeting the highest standards of safety and reliability, effectively positioning us as a trusted partner within the Indian Railways. This exclusivity not only secures the company's market position but also reinforces its reputation for excellence and dependability in delivering high-quality safety parts.

### ***Strategically located Manufacturing Facility***

Our Manufacturing Facility is strategically located in close proximity to our raw material sources i.e. Jagdari Railway Workshop from where we procure high-quality alloy, which minimises our transportation costs and provides logistics advantage and cost benefits resulting in improved operating margins. Our Manufacturing Facility, being situated in the state of Uttarakhand also offers us to avail electricity at lower power tariffs, as the state of Uttarakhand offers one of the lower power tariffs in the Country. We believe the strategic location of our plant has helped us in creating synergies as well as achieving economies of scale and operational efficiencies.

### **Quality Assurance and Control**

As a "Class A" foundry certified by Indian Railways, we are recognized for our good quality standards. We are a quality conscious organisation, which believes in manufacturing quality products. Our products and processes undergo regular quality checks to ensure minimal defects. We follow strict manufacturing practices and standards, and our Manufacturing Facility benefits from the quality benchmarking certifications such as ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018, further validating our commitment to quality management, environmental management, and occupational health and safety, respectively.

Our Company is also equipped with in-house testing facilities where we carry out checking of our raw materials, work in progress materials and finished products. We undertake physical testing, chemical analysis and metallurgical testing. The finished products are checked in testing facilities to ensure that the same is of relevant standards and design as specified by the customer; the products are then packed and dispatched.

For further information on our Promoter Directors please see the sections entitled “***Our Promoters and Promoter Group***” and “***Our Management***” beginning on pages 172 and 160, respectively.

## **OUR BUSINESS STRATEGIES**

### ***Expanding RDSO Approval for Additional Products***

RDSO approval of our facility and products are significant strength of our Company. We intend to and are actively working to get more of our products/parts approved by RDSO, which will further solidify our market position and



expand our product offerings for Indian Railways. Obtaining RDSO approval involves a rigorous approval process and requires a vendor to ensure that the products meet high safety and reliability standards as laid down by RDSO. By increasing the number of RDSO approved products/parts, our Company intends to enhance its credibility and become a preferred supplier for railways, fostering growth and reinforcing its leadership in the industry.

***Setting up of new manufacturing facility***

Our Company proposes to further diversify its product portfolio by introducing new line of products. We intend to accomplish the same by setting up of new manufacturing facility at Village- 241 Bhailamau, Tehsil Kanpur Sadar, district- Kanpur Nagar, Uttar Pradesh-209305 for which the Company has entered into agreement for sale dated August 14, 2024. The new manufacturing facility is intended for production of complete Bogie and coupler we believe that we will be able to manufacture critical railway assembly and would be in a position to cater other industries as well. We believe that our presence in the market positions will place us in a position to capitalize on the anticipated growth of high value Metallurgical engineering products and increased requirement of Indian Railways. The strategic decision to expand our product portfolio will enable us to create additional revenue streams and diversify our business operations. This will also provide our Company export opportunity.

We believe that our strategy will allow us to better serve our existing customers with additional products portfolio. Our Company proposes to utilise ₹ 5,074.72 lakhs toward the said setting up of new facility from the Net Proceeds. For further details, see “*Objects of the Issue*” on page 80.

***Continue to focus on improving operational efficiencies***

We intend to further leverage technology to effectively utilise our machinery and equipment through implementing several transformational initiatives. We intend to explore and adopt efficiency enhancement and automation tools. We undertake and foster data analytics and data-based decision making. We will also continue to identify various strategic initiatives to improve our operational efficiencies and reduce operating costs. We continue to focus on investing in automation, modern technology and equipment to continually upgrade our products including the quality of our products to address changing customer preferences as well as to improve operational efficiency.

***Expand our customer base and geographic reach***

We intend to continuously focus on increasing our customer base by enhancing our reach in the domestic market with dedicated resources, diversified product and service offerings and geographical presence. The proposed setting of the new manufacturing facility will enable us to further expand our product portfolio and further enter territories beyond India.

***Focus on Advanced Technology Products***

We intend to leverage our design, engineering and manufacturing capabilities to increase our focus on advanced technology products. We believe that high value added and technology driven components will provide us with early-mover advantages and higher profit margins, thus giving us the opportunity to consolidate our position with our customers. We also intend to focus on new process-based technologies to further improve the quality of our products and our manufacturing processes and to add new products to our portfolio. We believe that an expanded product portfolio will assist us in developing long-term relationships with our customers.

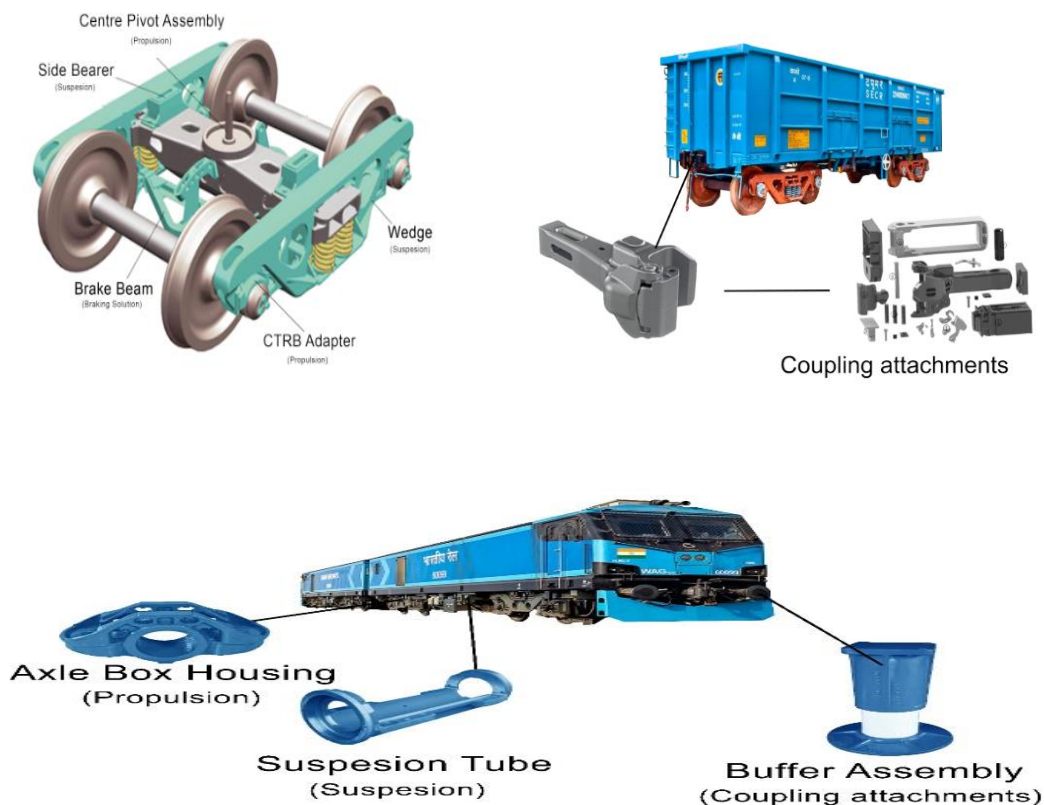
**OUR PRODUCTS**

Our Company is capable of manufacturing both standardized as well as customized products. Our products find their application in various industries. Our products can be classified based on their applications:

<b>Name of the Product</b>	<b>Application</b>	<b>Application Industry</b>	<b>Description</b>
CP Assembly, Wedges, Brake beam, End Casting, Strut Castings,	Various types of Bogie for Wagon, coaches and locomotives	Indian Railways	Products are used for breaking system, suspension and propulsion.

Name of the Product	Application	Application Industry	Description
Axle box housing, Narrow jaw adopter, Wide jaw adopter, modified adopter, k type adopter, various type of liners	Various type of Coupler for Wagon, coaches and locomotives	Indian Railways	Products used for attachment and pulling of wagons and coaches.

### Images of our Products



### Industry wise revenue

We majorly derive our revenue from sale of customised and regular products to Indian Railways. The details of our revenue from Indian Railways is set forth below;

(₹ in lakhs)

Name of Industry	Fiscal 2024	As % of Revenue from Operations	Fiscal 2023	As % of Revenue from Operations	Fiscal 2022	As % of Revenue from Operations
Indian Railways	4670.98	99%	1607.06	99%	399.2	87%
Others	51.85	1%	16.01	1%	59.65	13%
<b>Total</b>	<b>4722.83</b>	<b>100%</b>	<b>1623.07</b>	<b>100%</b>	<b>458.85</b>	<b>100%</b>

#### State wise revenue

We supply our products to domestic customer i.e Indian Railways. Our State wise revenue from operations is as set forth below:

(₹ in lakhs)						
Name of Indian States	As on March 31, 2024	As % of Revenue from Operations	As on March 31, 2023	As % of Revenue from Operations	As on March 31, 2022	As % of Revenue from Operations
Bihar	-	-	2.04	0.12	-	-
Gujarat	106.32	2.25	109.92	6.66	-	-
Haryana	55.70	1.18	8.84	0.54	19.89	4.34
Jharkhand	464.99	9.85	15.00	0.91	-	-
Kerala	0.94	0.02	-	-	-	-
Maharashtra	6.65	0.14	-	-	-	-
Punjab	13.82	0.29	127.04	7.70	-	-
Rajasthan	153.82	3.26	0.65	0.04	-	-
Telangana	13.82	0.09	-	-	-	-
Uttar Pradesh	30.02	0.64	36.30	2.414	0.09	0.02
Uttarakhand	8.85	0.19	226.61	14.73	342.05	74.55
West Bengal	3877.17	82.09	1096.64	66.80	80.61	17.57
Tamil Nadu	-	-	-	-	15.03	3.28
Delhi	0.37	0.01	-	-	1.14	0.25
<b>Total</b>	<b>4,722.83</b>	<b>100</b>	<b>1623.07</b>	<b>100</b>	<b>458.85</b>	<b>100</b>

As certified by M/s Bagaria & Co LLP, Chartered Accountants vide certificate dated September 13, 2024

#### TOP TEN CUSTOMERS

For the period ended March 31, 2024			
Sr. No.	Name of Customer	Amount of sales (Rs. in lacs)	% of total sale
1	Jupiter Wagons Limited	2568.51	54.39
2	Titagarh wagons Limited	573.08	12.13
3	Om Besco Rail Products Limited	464.99	9.85
4	Devvrat Industrial Corporation	215.40	4.56
5	Texmaco Rail & Engineering Limited	159.85	3.38
6	Titagarh Rail Systems Limited	150.78	3.19
7	Hindustan Engineering & Industries Limited	112.58	2.38
8	Jindal Rail Infrastructure Limited	79.46	1.68
9	Orient Steel & Industries Limited	73.27	1.55
10	NF Forgings Private Limited	58.52	1.24
	<b>Total</b>	<b>4,456.45</b>	<b>94.36</b>

<b>For the year ended March 31, 2023</b>			
<b>Sr. No.</b>	<b>Name of Customer</b>	<b>Amount of sales (Rs. in LACS)</b>	<b>% of total sale</b>
1	Jupiter Wagons Limited	753.34	46.41
2	Titagarh Wagons Limited	247.72	15.26
3	JL Steel-2	190.85	11.76
4	Jindal Rail Infrastructure Ltd	109.92	6.77
5	Jai Ambe Industries	80.54	4.96
6	Texmaco Rail & Engg Ltd	42.14	2.60
7	Eastern Railway	40.00	2.46
8	North Eastern Railway	36.30	2.24
9	BST Auto Private Limited	23.31	1.44
10	Phooltas Transrail Limited	20.60	1.27
	<b>Total</b>	<b>1,544.72</b>	<b>95.17</b>

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<b>For the year ended March 31, 2022</b>			
<b>Sr. No.</b>	<b>Name of Customer</b>	<b>Amount of sales (Rs. in LAKHS)</b>	<b>% of total sale</b>
1	JL Steel-2	294.93	64.28
2	Eastern Railways	61.61	13.43
3	Super LPG Alliances Pvt Ltd	15.06	3.28
4	SR-101183 DT. 24.05.2021 (552 ABH)	15.03	3.28
5	CENTRAL RAILWAY	10.00	2.18
6	Sail Rites Bengal Wagon Industry (P) Ltd.	9.00	1.96
7	Manhar Steels	5.99	1.31
8	Action Construction Equipment Ltd(Unit-Ii)	2.37	0.52
9	Action Construction Equipment Ltd Unit Vi	2.34	0.51
10	Northan railway	1.10	0.24
	<b>Total</b>	<b>417.43</b>	<b>99.94</b>

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#### TOP TEN SUPPLIERS

<b>For the Period ended March 31, 2024</b>			
<b>Sr. No.</b>	<b>Name of Supplier</b>	<b>Amount of purchase (Rs. in lacs)</b>	<b>% of total purchase</b>
1	Sumer Chand Steel Company	377.11	14.08
2	MUDGAL IRON FOUNDRY	336.90	12.58
3	CHINAR FOUNDRY	307.60	11.48
4	BAJRANG IMPEX	239.50	8.94
5	Garv International	189.39	7.07
6	NORTHERN RAILWAY	174.14	6.50
7	Murari Traders	165.35	6.17
8	Jai Kapish Udyog	151.84	5.67
9	Everest Industries	124.64	4.65
10	AGGARWAL DISTRIBUTORS	82.03	3.06
	<b>Total</b>	<b>2,148.43</b>	<b>80.22</b>

<b>For the year ended March 31, 2023</b>			
<b>Sr. No.</b>	<b>Name of Supplier</b>	<b>Amount of purchase (Rs. in lacs)</b>	<b>% of total purchase</b>
1	JL Steel-2	232.44	18.57
2	CHINAR FOUNDRY	160.88	12.86
3	Bharat Steel and Agro Industries	114.79	9.17
4	Garv International	78.42	6.27
5	Jai Kapish Udyog	78.11	6.24
6	JL Steel-3	75.83	6.06
7	MUDGAL IRON FOUNDRY	63.15	5.05
8	Bansal Iron Store	53.03	4.24
9	Dynamic Enterprises	51.32	4.10
10	Murari Traders	38.34	3.06
	<b>Total</b>	<b>946.31</b>	<b>75.61</b>

<b>For the year ended March 31, 2022</b>			
<b>Sr. No.</b>	<b>Name of Supplier</b>	<b>Amount of purchase (Rs. in lacs)</b>	<b>% of total purchase</b>
1	Stamping & MORE LLP	246.50	49.22
2	JL Steel-3	18.44	3.68
3	YB Singh	17.65	3.53
4	AR Trading Co.	11.49	2.29
5	Bharat Steel and Agro Industries	10.05	2.01
6	A.A Enterprises	7.62	1.52
7	United Steel Industries	7.55	1.51
8	New Punjab Foundary	2.74	0.55
9	Himalaye Transport	1.78	0.36
10	Universal Minerals	1.69	0.34
	<b>Total</b>	<b>325.51</b>	<b>65.00</b>

*As certified by M/s Bagaria & Co LLP, Chartered Accountants vide certificate dated September 13, 2024*

## **OUR MANUFACTURING FACILITY**

We operate through our manufacturing facility situated on land admeasuring approximately 7,173 Sq. Meters acres, located at Khasara No. 255/256, Fakkarhedi, Bhagwanpur, Uttarakhand. e operate a single location unit having installed capacity of 4,493 metric tonnes per annum as on March 31, 2024 and as on the date of this Draft Red Herring Prospectus the installed capacity has been expanded to 8,986 metric tonnes per annum (“**MTPA**”). Our manufacturing unit is equipped with latest equipment and trained manpower. Further, our Manufacturing Facility is RDSO approved, and we are certified vendor for manufacturing and supply of various types of over 25 products for Indian Railways.

Our Manufacturing Facility is also ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 certified which certifies our quality management, environmental management and occupational health & safety management system respectively, employed by us in our manufacturing facility.

Our Manufacturing Facility is operated in two (2) shifts of eight (8) hours each, with strict adherence to national and public holidays. Set forth below are details of the installed capacity and the utilized capacity, for the Fiscal 2024, Fiscal 2023 and Fiscal 2022.



Product	Total Installed Capacity (MT/Ann um)	As on July 15, 2024		FY 2024		FY 2023		FY 2022	
		Qty. (MT)	Capacity Utilized (MT)	Qty. (MT)	Capacity Utilized (MT)	Qty. (MT)	Capacity Utilized	Qty. (MT)	Capacity Utilized
Metallurgical engineering products	8,087	4,493	4,100	4,493	4,100	-	-	-	-

*\*As certified by Chartered Engineer Certificate dated July 15, 2024.*

**A few images of our Manufacturing Facility**



## Our Equipment

The details of key plant and machineries in our Manufacturing Facility are given herein below:

No.	Description	Make	Capacity	QTY.
1	Arc furnace capacity 5.00 MT with its accessories like transformer, on line tap changer, VCB, control panel, electrode regulating panel, cooling cable & pumps, hydraulic tilting system, electrode winch with motors & Gear Box, balancing load for electrode	Eastern Mtech, ABB, KVA Transformer, MK Polycab 3M	5 MT	1
2	Induction furnace capacity 1.00 MT with 2 crushable, Dm unit, Capacitor bank, power control panel, remote panel, hydraulic power pack, water cooled cable, raw water pumps, DC choke. Cooling tower, overhead emergency tank, underground raw water tank,	Electrotherm	1MT	1
3	Induction furnace capacity 0.50 MT with 1 crushable, Dm unit, Capacitor bank, power control panel, remote panel, hydraulic power pack, water cooled cable, raw water pumps, DC choke. Cooling tower, overhead emergency tank, underground raw water tank,	Electrotherm	0.50 MT	1
4	Over head EOT crane capacity 7.00 MT with gantry, control panel, cabin, code less remote, Bus bar, hoist, geared Motor LT 250 feet, ST 63 feet, lift 23 feet.	Devraj, SRP Crane, Crompton, VM	7 MT	2
5	Over head EOT crane capacity 5.00 MT with gantry, control panel, cabin, code less remote, Bus bar, hoist, geared Motor LT 250 feet, ST 40 feet, lift 23 feet.	Devraj, SRP Crane, Crompton, VM	5 MT	2
6	EOT Crane electro Lifting magnet capacity 500 Kg	SRI RAM	500 KG	1
7	Pouring geared Ladle capacity 7.00 MT	NYPL	7 MT	3
8	Pouring geared Ladle capacity 1.00 MT	NYPL	1 MT	3
<b>Moulding Facilities</b>				
9	Intensive sand mixer Capacity 2 MT with blender, Auto dosing of Bentonite, Bentacoal, & water, hydraulic operated doors, main Gear Box, main motor, Blender Motor, remote panel.	JayAmbe NT Crompton PBL VM	2 MT	1
10	Intensive sand mixer Capacity 1 MT with blender, Auto dosing of Bentonite, Bentacoal, & water, hydraulic operated doors, main Gear Box, main motor, Blender Motor, remote panel.	JayAmbe NT Crompton PBL VM	1 MT	1
11	Intensive sand mixer Capacity 0.50 MT with blender, Auto dosing of Bentonite, Bentacoal, & water, hydraulic operated doors, main Gear Box, main motor, Blender Motor, remote panel.	JayAmbe NT Crompton PBL VM	0.50 MT	2
12	SJS moulding Machine capacity of Box size 1000*900*300 MM	SJS	1000*900*300 MM	2

No.	Description	Make	Capacity	QTY.
13	Fluidized bed sand cooler capacity 40 MT / Hr	Jai Amby	40 MT / Hr	1
14	Bucket elevator capacity 40 MT / Hr	Jai Amby	40 MT / Hr	2
15	Sand conveyor 750 MM with roller & idlers	RK	750 MM	9
16	Over head Hoist capacity 2.00 MT	Devraj	2 MT	4
17	Knock out 2000 MM *1200 MM with Motor spring & its accessories	Jai Amby	2000MM * 1200 MM	1
18	Pouring track with Automatic PLC controlled pushers & its power pack. Transfer trolley, Pallets & mold boxes	Jai Amby & Delta	40 Mould/Hr	1
19	Used sand hopper capacity 80 MT	Jai Amby	80 MT	
20	Sand Plant supporting structure	Jai Amby / NYPL	300 MT	
21	Screw compressor with air storage tank 60 HP	Atlas	60 HP	1
22	Screw compressor with air storage tank 120 HP	Atlas	120 HP	1
23	Dust collector cyclone	jai Amby	40 MT /HR	
<b>Fettling Facilities</b>				
24	Hanger type double door shot blasting Machine 72 inches with dust collector r	Perfect Enginner	72 inches Hanger Type	1
25	Table type double door shot blasting machine 72 inches with dust collector	Perfect Enginner	72 inches Table Type	1
26	Swing grinder 18*6*3	Aranayaraj	18*6*3	4
27	Angle grinders 7 inch	Bosch	7 INCHES	20
28	Pencil Grinders	Bosch	6 inchi 28000 RPM	5
29	Welding machines	SK ARC	600 AMP	10
<b>Heat Treatment Facility</b>				
30	Digital Electric heat treatment furnace with thyristor based control, capacity 5.00 MT with maximum temperature of 1050 degree centigrade. Time temperature recording in 3 zones.	MK	5MT	1
31	Fork type 10 MT crane 4 axis movement for loading, unloading & quenching of material	NYPL	10 MT	1
32	Surface tempering Induction hardening machine IGPT based. Maximum temperature achieved 1100 degree centigrade. With rotation & cooling set up.	Electrotherm	1100 Degree	1
33	Quenching tank (oil & water) for immediate cooling of heat treaded material as per Specification. With water rotation & agitation facility.	NYPL/MK	50000 LTR	1
<b>Machining Facilities</b>				
34	CNC VTL turning Dia 1150 MM Z axis 750 MM chuck size 600 MM	Doosan	Dia 1150 MM Z axis 750 MM chuck size 600 MM	1



No.	Description	Make	Capacity	QTY.
35	CNC VTL turning Dia 600 MM Z axis 450 MM chuck size 450 MM Distribution panel	VTL	Dia 600 MM Z axis 450 MM chuck size 450 MM	1
36	CNC VTL turning Dia 450 MM Z axis 300 MM chuck size 300 MM	VTL	Dia 450 MM Z axis 300 MM chuck size 300 MM	1
37	CNC horizontal turning Dia 800 MM x axis 1000 MM y axis 400 MM chuck size 300 MM	Zama	turning Dia 800 MM x axis 1000 MM y axis 400 MM chuck size 300 MM	1
38	CNC horizontal turning Dia 400 MM x axis 500 MM y axis 300 MM chuck size 200 MM	Kafo	turning Dia 400 MM x axis 500 MM y axis 300 MM chuck size 200 MM	1
39	CNC horizontal turning Dia 300 MM x axis 400 MM y axis 200 MM chuck size 200 MM	hardford	turning Dia 300 MM x axis 400 MM y axis 200 MM chuck size 200 MM	1
40	CNC HMC double pallet changer pallet size 450 MM * 450 MM 750 MM x axis 500 MM Y axis & 500 MM Z axis	Doosan	size 450 MM * 450 MM 750 MM x axis 500 MM Y axis & 500 MM Z axis	1
41	CNC VMC pallet size 1200 MM * 600 MM 750 MM x axis 600 MM Z axis	VMC	CNC VMC pallet size 1200 MM * 600 MM 750 MM x axis 600 MM Z axis	1
42	CNC VMC pallet size 1000 MM * 500 MM 700 MM x axis 600 MM Z axis	Shivalier	CNC VMC pallet size 1000 MM * 500 MM 700 MM x axis 600 MM Z axis	1
43	CNC VMC pallet size 600 MM * 400 MM 600 MM x axis 500 MM Z axis	AMS	CNC VMC pallet size 600 MM * 400 MM 600 MM x axis 500 MM Z axis	1
44	CNC VMC pallet size 500 MM * 400 MM 500 MM x axis 500 MM Z axis	AMS	size 500 MM * 400 MM 500 MM x axis	1

No.	Description	Make	Capacity	QTY.
			500 MM Z axis	
45	CNC HMC double pallet changer pallet size 450 MM * 450 MM 750 MM x axis 500 MM Y axis & 500 MM Z axis	ECOKA	size 450 MM * 450 MM 750 MM x axis 500 MM Y axis & 500 MM Z axis	1
46	CNC HMC double pallet changer pallet size 450 MM * 450 MM 750 MM x axis 500 MM Y axis & 500 MM Z axis	ELECTRONICA	size 450 MM * 450 MM 750 MM x axis 500 MM Y axis & 500 MM Z axis	1
47	CNC HMC double pallet changer pallet size 450 MM * 450 MM 750 MM x axis 500 MM Y axis & 500 MM Z axis	ELECTRONICA	size 450 MM * 450 MM 750 MM x axis 500 MM Y axis & 500 MM Z axis	1
48	Lathe machine bed size 22 inch centre height 24 Inch	Nav Ashu	size 22 inch centre height 24 Inch	1
49	Gang milling Size 2	Nav Ashu	Size 2	1
50	Radial Drill 25 inch	Nav Ashu	Drill Size 25 mm	1
51	Surface grinder 6 Inch wheel size	Nav Ashu	6 Inch wheel size	1
52	Shaper 24 Inch stroke	Nav Ashu	24 Inch stroke	1
53	Power hexa 18 inch	Nav Ashu	18 inch	1
<b>Testing Facility</b>				
54	Coordinate measuring Machine 1000*800*700 MM accuracy 2 Micron	Accurate	1000*800*700 MM	1
55	Coordinate measuring fero gauge 1200*800*500 MM accuracy 16 Micron	Ferro Gauge	1200*800*500 MM	1
56	Universal testing machine 40 MT	Akash	40 MT	1
57	BHN hardness tester	Akash	3000kg	2
58	VPN hardness tester	Kalsons	upto 600 BHN	1
59	Impact testing machine with sub zero testing	Akash	300 J	1
60	Spectrometer	ASPHIRE	39 ELEMENTS	1
61	Microscope with photography & software based analysis	Metzer	100X	1
62	Magnetic particle test	MPI	UPTO 50 MM THICKNESS	1
63	Liquid penetration test	LPI	UPTO 50 MM THICKNESS	1
64	Muffle furnace	Kalsons	6 INCHI *12 "	1
65	Wet carbon apparatus	Kalsons	Carbon/ silicon	1

No.	Description	Make	Capacity	QTY.
67	Optical pyrometer 2000 degree centigrade	Ajay Syskon	2000 degree centigrade	1
68	Touch pyrometer	Kalsons	2000 degree centigrade	1
69	Carbon silicon analyser	Ajay Syskon	for carbon & Silicon	1
70	Gamba display	Ajay Syskon	10 chennal	1
71	Spectra charge analyser	Ajay Syskon	4 channel	1
72	Sacrata plates	Maruti	18 no	1
73	Surface plates of various sizes	Luthra	upto 9000*9000 mm	5
74	Height gauge	Insize	300mm	1
75	Vernier of various size	Insize	100 mm to 1000 mm	15
76	Bore gauges of various size	Insize	40 mm to 400 mm	15
<b>Sand Testing Equipment</b>				
78	AFS testing machine	Kalsons	Green Sand Lab	1
79	Tensile testing machine	Kalsons	Green Sand Lab	1
80	Sand drier	Kalsons	Green Sand Lab	1
81	Clay washer	Kalsons	Green Sand Lab	1
82	Shatter Index	Kalsons	Green Sand Lab	1
83	Permeability tester	Kalsons	Green Sand Lab	1
84	Sand Rammer	Kalsons	Green Sand Lab	1
85	Moldability tester	Kalsons	Green Sand Lab	1
86	Moldhadrness tester	Kalsons	Green Sand Lab	1
87	Mold scratch hardness tester	Kalsons	Green Sand Lab	1
<b>Painting Facility</b>				
88	Paint Shop	MK	6*6*6 foot	1
<b>Electrical</b>				
88	33 Kva substation complete with CT, PT, Isolaters, Connectors, fuse set, VCB, structure, Conductor etc	ABB, Crompton , Cheyash, Rastriya	3000 kva	1
89	Outdoor step down Transformer 33000 / 11000 volts 1600 KW	Servo Star	1600 kw	1
90	Outdoor step down Transformer 33000 / 430 volts 1600 KW	Red Phase	1600 kw	1

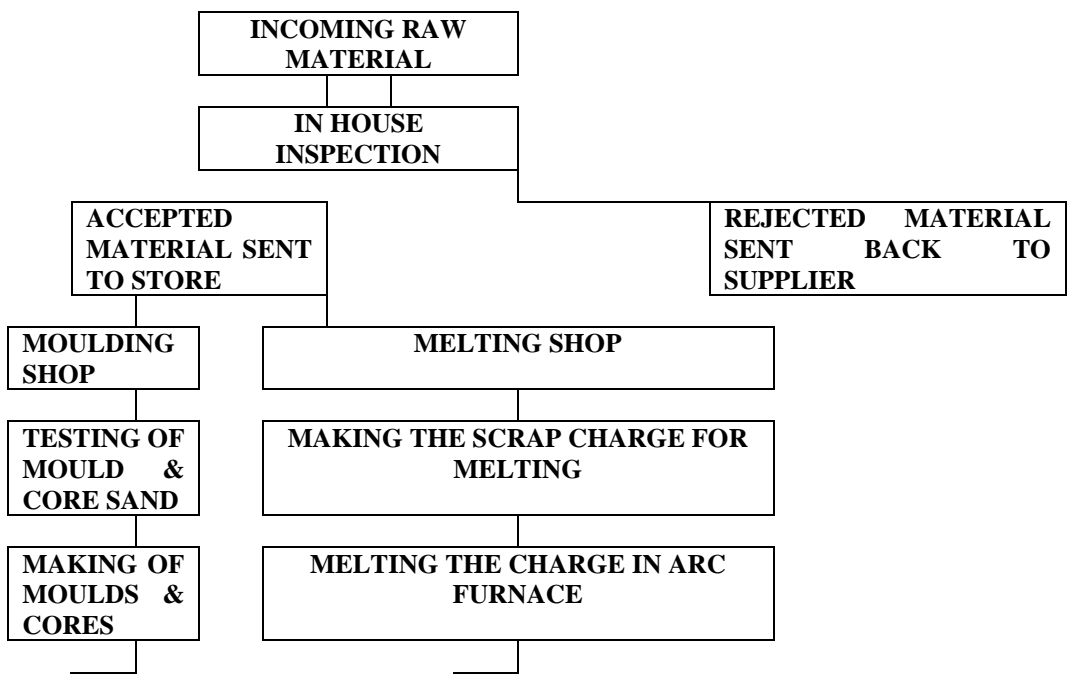
No.	Description	Make	Capacity	QTY.
92	Indoor step down Transformer 11000 / 850 volts 750 KW	electrotherm	750 kw	1
96	Main distribution panel	Star Electricals /L&T, SCHINDLER	600 kva	1
97	Power factor control panel	Star Electricals /L&T, SCHINDLER	600 kva	1
98	Sand plant control panel	Star Electricals /L&T, SCHINDLER	400 kva	1
99	Machine shop control panel	Star Electricals /L&T, SCHINDLER	200 kva	1
100	Fettling control panel	Star Electricals /L&T, SCHINDLER	100 kva	1
101	UPS 300 KVA	Emerson	300 KVA	1
102	33000 Volt cable	Polycab	33000 Volt	1
103	11000 Volt cable	Polycab	11000 volt	1
104	440 Volt cable	Polycab	440 Volt	1

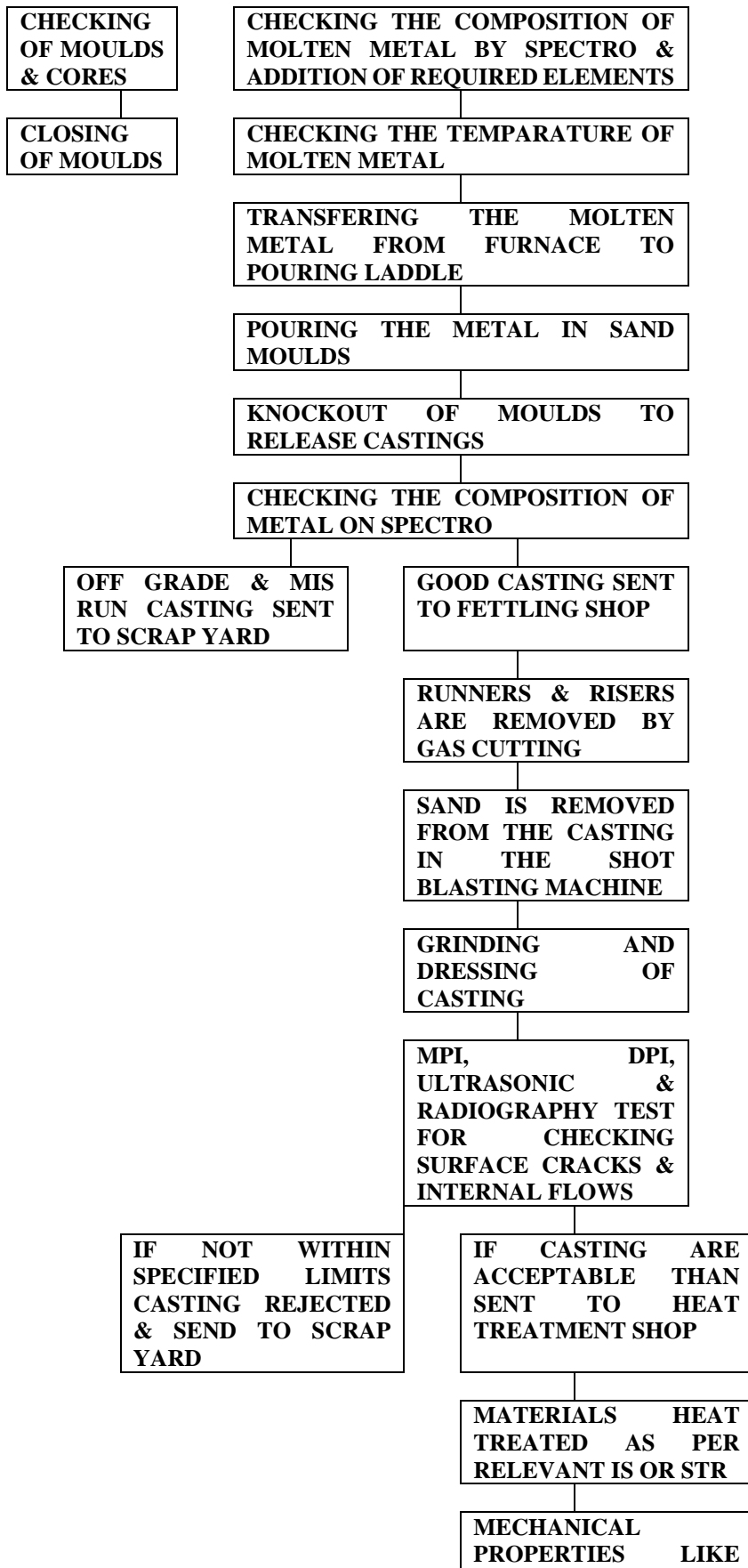
**Our Manufacturing Process**

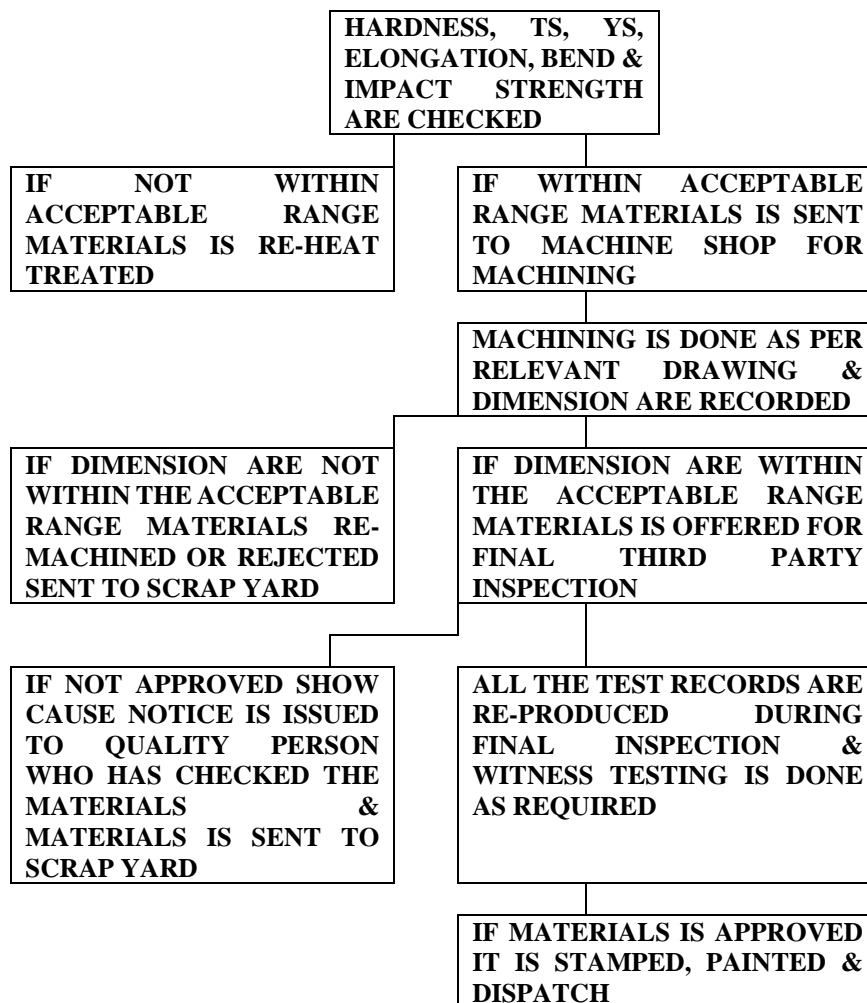
The flow chart detailed below describes our manufacturing process.

**TITLE- PROCESS FLOW CHART / BRIEF DESCRIPTION OF MANUFACTURING PROCESS**

**PART-I  
PROCESS FLOW CHART**







**Production Process of Products:**

Sr. No.	Process	Process description
1	Incoming Materials	Raw Major incoming raw materials are checked by lab and the accepted materials are issued to production department.
2	Melting	Melting of ferrous materials are done in arc furnace once melt is ready with specified temperature. Chemical compositions are tested by a spectrometer.
3	Molding	Greens and Molds are prepared on SJS and HPML molding machines with help of metallic patterns and corboxes.
4	Pouring	After molds are ready and metal has been melted as per required composition. The melted metal is poured in moulds to take required shape.
5	Fettling	After few hours, metal is removed from mould and taken to fettling shop where runner and risers are removed and stick sand on material is removed by shot blasting and material is grinding to remove extra material.
6	Heat Treatment	Once fettling is done then Material is placed in heat treatment furnace for stress relieving, annealing, tempering as per required specifications to achieve mechanical properties.
7	Machining	Once heat treatment is done on the materials then materials are sent to machine shop for achieving exact dimensions as per customer's drawings. These materials are machined on CNC machines like VMC, VTN, turning, shaping, drilling etc.

<b>Sr. No.</b>	<b>Process</b>	<b>Process description</b>
8	Testing	All the finished materials are tested for chemical composition, mechanical properties, internal soundness and dimensional accuracy in the in house lab.
9	Final Inspection	Once the material has passed all the required specifications after testing in in house lab, these material are offered for third party inspection as per customer requirement.
10	Painting and Dispatch	Once material is cleared by third party inspecting agency (RDSO/RITES/TPI), material is painted and dispatched to customer along with guarantee certificates and other documents as per purchase order.

## **ENVIRONMENT, HEALTH AND SAFETY MEASURES**

We are the ISO 45001:2018 certified company. Health and safety of our working team is utmost priority and concern. We endeavour to adhere to laws and regulations relating to protection of health and employee safety. We carry out our activities while following appropriate standards of work safety and our working conditions seek to promote a healthy and safe work environment. We have taken initiatives to reduce the risk of accidents and prevent environmental pollution at our manufacturing facilities, including: (i) ensuring that employee safety manuals covering employee safety and environmental procedures, are in place and that hazard identification and risk assessments with respect to our operations are periodically carried out; (ii) providing training and awareness programs on employee safety and environment to all employees, including training on machines and other operations; (iii) implementing regular employee safety audits, management review meetings and periodic employee safety meetings.

We believe that accidents and occupational health hazards can be significantly reduced through a systematic analysis and control of risks and by providing appropriate training to our management and our employees. Our Company has installed fire safety equipment to manage any fire accident at our Manufacturing Facility.

## **COLLABORATIONS/TIE UPS/JOINT VENTURES**

Our Company has not entered into any Collaborations/ Tie-Ups/ Joint Ventures as on the date of this Draft Red Herring Prospectus.

## **SALES AND MARKETING STRATEGY**

Marketing is an important function of any organization. Our Promoter Director Mr. Himanshu Lohia is a graduate in International Marketing from Wollongong University of Australia. Our Company operates in the business-to-business segment of our industry consequent to which, our sales are to industrial customers. Given the nature of our product offering, we are required to regularly engage and interact with our customers before concluding a sale of our products. Such interaction may include, exchange of design and product information, feedback on various aspects of the product, estimation of effort and cost for development of tooling. Our Management through their vast experience with our customers owing to timely and quality delivery of products, play an instrumental role in creating and expanding a work platform for our Company.

Our all Products are purchased by Indian Railways and allied units through process of online tender and direct inquiries. Only the RDSO approved vendors are eligible to Bid/quote for such tenders and inquiries. Once our bids/inquiries are approved commercially, orders are received and executed as per the work order..

## **COMPETITION**

We face competition from domestic RDSO approved players. We have a number of competitors offering products similar to us. We believe that our experience in this business and quality assurance will be key to overcome competition posed by RDSO approved organized players. We believe that we can compete effectively in the market with our quality of services and our reputation. We believe that the principal factors affecting competition in our business include RDSO vendor approval barrier, reputation, and the relative quality and price of the products.

## EXPORT OBLIGATION

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

## UTILITIES AND INFRASTRUCTURE FACILITIES

**Raw Material** - Our major raw material includes return alloy parts of railways of defined compositions which is sourced from Jagadri workshop, Northern Railways, Haryana. Apart from these various types of chemicals like FeSi, FeMn, Al, FeSiMg, Cr, C, Ni, Mo etc are used for alloying purpose to provide the required strength to the metal. Special sand with silica content of minimum 98.5% & AFS of 45-50 are also used. We procure our raw materials based on market availability, pricing and quality through domestic suppliers. The cost of materials consumed (including purchase of stock in trade and changes in inventory) by us in our operations accounted for 56.47%, 79.84% and 87.73% of our revenue from operations for Fiscal 2024, Fiscal 2023 and Fiscal 2022, respectively.

**Power** - We require power supply to manufacturing our products and to meet our requirement. The requirement of power is mostly met by supply of electricity by State Power Distribution Company Limited i.e. Uttarakhand Power Corporation Limited (UPCL). We have an independent feeder sanctioned to us from UPCL substation to our factory. We have a dedicated 33000-volt line coming from UPCL substation to our factory. This provides us with uninterrupted & very good quality of power (without voltage fluctuation). However, our Company has also installed a 300 KVA and generator of 20 KVA UPS at our Manufacturing Facility as intermittent power back up in case of power failure.

**Water** – Water is basically to meet evaporation losses of the cooling towers connected to cool the melting furnace coil and its control panel, cooling towers for cooling sand in reclamation plant, general consumption for the people inside the plant. We get the water supply form the local municipality.

**Utilities** - Our Office is well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for smooth functioning of our business activity. We are also equipped with latest software like AutoCAD, Delcam, CAD/CAM, Pro E for designing our own product drawings.

## HUMAN RESOURCES

Our personnel policies are aimed towards recruiting talented individuals, facilitating their integration, and promoting the development of their skills. As on July 31, 2024, we had workforce of 88 employees including senior management. The following table illustrates the breakdown of the numbers of our employees by function:

Category	No. of Employees
Purchase & Logistics Department	4
Process Supervisors	8
Sales & Marketing Department	5
Production (comprising of Skilled Semi-Skilled & unskilled workers)	53
Finance Department	2
Marketing Department	5
Human Resource Department	3
Security	8
<b>Total</b>	<b>88</b>

Our Company does not employ any contract labour as on July 31, 2024.

## INSURANCE

We generally endeavour to maintain the requisite insurances which we believe is required for business operations. The insurance policies obtained by us are as under:



Sr.No.	Policy No.	Issued by	Particulars	Sum Insured	Place of Coverage	Period of Insurance
1	OG-25-1109-4057-00000025	Bajaj Allianz General Insurance Company Limited	Bharat Laghu Udyam Suraksha	6,32,00,000/-	Khasara No. 255/256 Fakkarhedi, Bhagwanpur, Haridwar, Uttarakhand	06-07-2024 to 05-07-2025
2	OG-25-1109-4057-00000026	Bajaj Allianz General Insurance Company Limited	Bharat Laghu Udyam Suraksha	14,68,00,000/-	Khasara No. 255/256 Fakkarhedi, Bhagwanpur, Haridwar, Uttarakhand-	06-07-2024 to 05-07-2025

In addition to insurance above, we have also obtained vehicle insurances for five Vehicles used by us.

### TRANSPORTATION

We use third-party transport providers for transportation of raw material to our plant and for delivery of finished products to our customers.

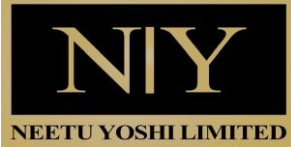

### OUR PROPERTIES

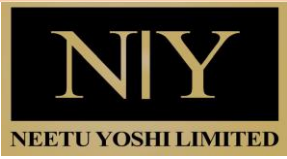

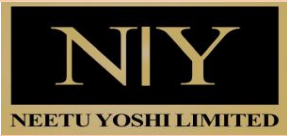

We carry out our business operations from the following properties:

Sr.No.	Particulars	Purpose Used	Usage	Rent	Period of agreement
1	2/155, Jakhan, Rajpur Road, Dehradun, Uttarakhand	Registered Office	Office premise	60,000 per month	2 years beginning from April 1, 2024
2	Khasara No. 255/256 Fakkarhedi, Bhagwanpur, Haridwar, Uttarakhand - 247 661	Manufacturing Unit	Owned	-	-

### Intellectual Property

As on the date of the Draft Red Herring Prospectus, our Company has made application for registering our logo trademark.

Sr. No.	Trademark	Particulars	Class	Application No.	Date of Application	Current Status
1		Steel, Steel beams, Wedges of Metal, suspension clamps, material of metal for railway tracks, and pivot of metals	6	6496781	June 25, 2024	Formalities Chk Pass
2		Steel, Steel beams, Wedges of Metal, suspension clamps, material of metal for railway tracks, and pivot of metals	6	6496778	June 25, 2024	Formalities Chk Pass

Sr. No.	Trademark	Particulars	Class	Application No.	Date of Application	Current Status
3		Axles for vehicles, brakes for vehicles, locomotives, and buffers for railway rolling stock	12	6496782	June 25, 2024	Formalities Chk Pass
4		Axles for vehicles, brakes for vehicles, locomotives, and buffers for railway rolling stock	12	6496779	June 25, 2024	Formalities Chk Pass
5		Cast Iron Utensils	21	6496783	June 25, 2024	Formalities Chk Pass
6		Cast Iron Utensils	21	6496780	June 25, 2024	Formalities Chk Pass

## KEY REGULATIONS AND POLICIES IN INDIA

*In carrying on our business as described in the section titled “Our Business” on page 128 of this Draft Red Herring Prospectus, our Company is regulated by the following legislations in India. The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from the various legislations, including rules and regulations promulgated by the regulatory bodies and the bye laws of the local authorities that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. For details of Government Approvals obtained by the Company in compliance with these regulations, see “Government and Other Statutory Approvals” on page 291.*

Our business is governed by various central and state legislations that regulate the substantive and procedural aspects of our Company’s businesses. Our Company is required to obtain and regularly renew certain licenses/registrations and/or permissions required statutorily under the provisions of various Central and State Government regulations, rules, bye-laws, acts and policies.

Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by our Company:

### **Regulations Governing our Business**

#### **1. The Factories Act, 1948 (“Factories Act”)**

The term ‘factory’, as defined under the Factories Act, includes any premises which employs or has employed on any day in the previous 12 months, 10 or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 or more workmen are employed at any day during the preceding 12 months and in which any manufacturing process is carried on without the aid of power. State Governments have issued rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act mandates the ‘occupier’ of a factory to ensure the health, safety and welfare of all workers in the factory premises. Further, the ‘occupier’ of a factory is also required to ensure (i) the safety and proper maintenance of the factory such that it does not pose health risks to persons in the factory premises; (ii) the safe use, handling, storage and transport of factory articles and substances; (iii) provision of adequate instruction, training and supervision to ensure workers’ health and safety; and (iv) cleanliness and safe working conditions in the factory premises. If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the ‘occupier’ and ‘manager’ of the factory as defined under the Factories Act may be punished with imprisonment or with a fine or with both and enhanced penalties for repeat offences and contravention of certain provisions relating to use of the hazardous materials.

#### **2. National Steel Policy, 2017 (“NSP”)**

The NSP 2017, notified on May 8, 2017, seeks to enhance domestic steel consumption, ensure high quality steel production, and create a technologically advanced and globally competitive steel industry in India. As per the NSP 2017, the Ministry of Steel will facilitate research and development in the sector, through the establishment of Steel Research and Technology Mission of India (SRTMI). The initiative is aimed to spearhead research and development of national importance in the iron and steel sector, by utilizing tripartite synergy amongst industry, national research and development laboratories and academic institutes. The NSP 2017 covers, inter alia, steel demand, steel capacity, raw materials, including iron ore, iron ore pellets, manganese ore, chromite ore, ferro-alloys, land, water, power, infrastructure and logistics, and environmental management. Through policy measures the Ministry of Steel will ensure availability of raw materials such as iron ore, coking coal, natural gas, etc. at competitive rates. The NSP 2017 envisions that in the steel industry, an environment will be created to promote domestic steel and thereby create a scenario where production meets the anticipated pace of growth in consumption, through a technologically advanced and globally competitive steel industry.

### **3. Steel and Steel Products (Quality Control) Order, 2020**

The Steel and Steel Products (Quality Control) Order, 2020, as amended, was notified by the Ministry of Steel, Government of India, to bring specified steel products under mandatory BIS certification. All manufacturers of steel and steel products are required to apply to the Bureau of Indian Standards for certification and ensure compliance with the Quality Control Order 2020.

### **4. Intellectual Property Laws**

#### ***The Trade Marks Act, 1999 (the "Trade Marks Act")***

The Trade Marks Act provides for the application, registration and protection of trademarks in India. The Trade Marks Act provides exclusive rights to the use of trademarks such as brands, labels and headings that have been registered and to provide relief in case of infringement of such marks. The Trade Marks Act prohibits any registration of deceptively similar trademarks. The Trade Marks Act also provides for penalties for infringement and for falsifying and falsely applying trademarks and using them to cause confusion among the public.

Our Company has obtained and applied for trademark registrations for the various brands and logos used in our business which are subject to the provisions of the Trade Marks Act, 1999.

### **A. General Corporate Compliance**

#### **1. *The Companies Act, 2013***

The consolidation and amendment in the law relating to the Companies Act, 1956 made way for the enactment of the Companies Act, 2013. The Companies Act, 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The act deals with incorporation of companies and the procedure for incorporation and post-incorporation. The conversion of the private company into a public company and vice versa is also laid down under the Companies Act, 2013. The procedure relating to winding up, voluntary winding up, the appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to bank companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of a public company and by two or more persons in case of a private company. A company can even be formed by one person i.e., a One-Person Company. The provisions relating to forming and allied procedures of One Person Company are mentioned in the act.

Further, Schedule V (read with Sections 196 and 197), Part I lay down the conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides the list of acts under which if a person is prosecuted, he cannot be appointed as the director or Managing Director or Manager of the firm. The provisions relating to remuneration of the director's payable by the companies is under Part II of the said schedule.

Further, the Companies Act also provides for reporting and disclosure relating to financial statement, and corporate social responsibility, disclosure under boards report, general meeting, and disclosure in the draft red herring prospectus.

### **B. Other Relevant Legislations**

#### **1. Shops and Establishments Legislations**

Under the provisions of local shops and establishments legislations applicable in different states, commercial establishments are required to be registered. Such legislations regulate the working and employment conditions of workers employed in shops and commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

**2. The Environment Protection Act, 1986 (the “Environment Act”)**

The Environment Act has been enacted for the protection and improvement of the environment. The Environment Act empowers the GoI to take measures to protect and improve the environment such as by laying down standards for emission or discharge of pollutants, providing for restrictions regarding areas where industries may operate and so on. The GoI may make rules for regulating environmental pollution.

**3. The Water (Prevention and Control of Pollution) Act, 1974 (Water Act)**

The Water Act aims to prevent and control water pollution by factories and manufacturing units and to maintain and restore the quality and wholesomeness of water. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, using of any new or altered outlet for the discharge of sewage or causing new discharge of sewage, must obtain the consent of the relevant state pollution control board, which is empowered to establish standards and conditions that are required to be complied with.

**4. The Air (Prevention and Control of Pollution) Act, 1981 (Air Act)**

The Air (Prevention and Control of Pollution) Act, 1981 (**Air Act**) provides for the prevention, control and abatement of air pollution. Pursuant to the provisions of the Air Act, any person establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant state pollution control board prior to establishing or operating such industrial plant. The state pollution control board must decide on the application within a period of 4 months of receipt of such application. The consent may contain certain conditions relating to specifications of pollution control equipment to be installed at the facilities. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the state pollution control board.

**5. Fire Safety Legislations**

Fire safety legislations enacted by several states in India provide for, amongst other things, the establishment of state fire services departments in respective State. Under these laws, owners of certain premises or certain class of premises, which are used for purposes which may cause a risk of fire, are required to obtain an approval from the relevant authority of such fire services department. Owners are further required to implement adequate fire prevention and safety measures and appoint a fire safety officer for inspection of premises from time to time, as may be prescribed under applicable law. Further, restrictions have been imposed on the working of high-risk premises in case these approvals are not acquired or for other violations of the provisions of the fire safety laws.

**6. The Solid Wastes Management Rules, 2016 (“Solid Wastes Rules”)**

The Solid Wastes Rules apply to every domestic, institutional, commercial and any other non-residential solid waste generator except industrial waste, hazardous waste, hazardous chemicals, bio medical wastes, e-waste, lead acid batteries and radio-active waste, that are covered under separate rules framed under the Environment (Protection) Act, 1986. As per the Solid Waste Rules, the local authority or panchayat is required to make an application in Form-I for grant of authorisation for setting up waste processing, treatment or disposal facility, if the volume of waste is exceeding five metric tonnes per day including sanitary landfills from the State Pollution Control Board or the Pollution Control Committee, as the case may be. Any municipal solid waste generated is required to be managed and handled in accordance with the procedures specified in the Municipal Solid Wastes Rules. Penalties for contravention of the provisions of the Municipal Solid Wastes Rules will be as specified in the EPA

**7. The Micro, Small and Medium Enterprises Development Act, 2006**

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the act is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office 124 at Delhi in the case of the enterprises engaged in the

manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and regulation) Act, 1951 as micro enterprise, where the investment in plant and machinery does not exceed twenty-five lakh rupees; Small enterprise, where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or a medium enterprise, where the investment in plant and machinery is more than five crore but does not exceed ten crore rupees and in the case of the enterprise engaged in the services, Micro enterprise, where the investment in equipment does not exceed ten lakh rupees, Small Enterprise where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees, or Medium Enterprise where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.

**8. Legal Metrology Act, 2009 (“LM Act”)**

The Legal Metrology Rules are ancillary to the Legal Metrology Act and set out to define various manufacturing and packing terminology. It lays out specific prohibitions where manufacturing, packing, selling, importing, distributing, delivering, offering for sale would be illegal and requires that any form of advertisement where the retail sale price is given must contain a net quantity declaration. Circumstances which are punishable are also laid out.

**9. The Foreign Trade (Development & Regulation) Act, 1992 (“FTA”)**

The Foreign Trade (Development & Regulation) Act, 1992, provides for the development and regulation of foreign trade by facilitating imports into and augmenting exports from India and for matters connected therewith or incidental thereto. As per the provisions of the FTA, the Government: (i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorised to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorised to appoint a 'Director General of Foreign Trade' for the purpose of the Act, including formulation and implementation of the Export-Import Policy. FTA read with the Indian Foreign Trade Policy inter-alia provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce.

**10. Foreign Exchange Management Act, 1999 (“the FEMA”) and Rules and Regulations thereunder**

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act, 1999 (“FEMA”), as amended, along with the rules, regulations and notifications made by the Reserve Bank of India thereunder, The Department for Promotion of Industry and Internal Trade (“DPIIT”), Ministry of Commerce and Industry has issued the Consolidated FDI Policy which consolidates the policy framework on Foreign Direct Investment (“FDI Policy”), with effect from October 15, 2020. The FDI Policy consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till October 15, 2020.

In terms of the FDI Policy, foreign investment is permitted (except in the prohibited sectors) in Indian companies either through the automatic route or the Government route, depending upon the sector in which foreign investment is sought to be made. In terms of the FDI Policy, the work of granting government approval for foreign investment under the FDI Policy and FEMA Regulations has now been entrusted to the concerned Administrative Ministries/Departments. FDI for the items or activities that cannot be brought in under the automatic route may be brought in through the approval route. Where FDI is allowed on an automatic basis without the approval of the Government, the RBI would continue to be the primary agency for the purposes of monitoring and regulating foreign investment. In cases where Government approval is obtained, no approval of the RBI is required except with respect to fixing the issuance price, although a declaration in the prescribed form, detailing the foreign investment, must be filed with the RBI once the foreign investment is made in the Indian company.

**11. Municipality Laws**

State governments are empowered to endow municipalities with such powers and authority as may be

necessary to enable them to perform functions in relation to permitting the carrying on of trade and operations. Accordingly, State governments have enacted laws authorizing municipalities to regulate use of premises, including regulations for issuance of a trade license to operate, along with prescribing penalties for non-compliance.

**12. The Consumer Protection Act, 1986 (the "COPRA")**

The COPRA provides for the protection of the interests of consumers and the settlement of consumer disputes. The COPRA sets out a mechanism for consumers to file complaints against, *inter alia*, service providers in cases of deficiencies in services, unfair or restrictive trade practices and excessive pricing. The terms "defect" and "deficiency" are broadly defined and cover any kind of fault, imperfection or shortcoming in the quality, quantity, potency, purity or standard. A three-tier consumer grievance redressal mechanism has been implemented pursuant to the COPRA at the national, state and district levels. If the allegations specified in a complaint about the services provided are proved, the service provider can be directed to *inter alia* remove the deficiencies in the services in question, return to the complainant the charges paid by the complainant and pay compensation, including punitive damages, for any loss or injury suffered by the consumer. Non-compliance with the orders of the authorities may attract criminal penalties in the form of fines and/or imprisonment.

**13. Guidelines for in-use Generator sets (Noise and Emissions)**

Central Pollution Control Board (CPCB) has prescribed guidelines for emission and noise pollution of gensets up to 1000 KVA. The said guidelines are effective from January 15, 2008 for system procedure for compliance with noise limits.

**14. Electricity Act, 2003**

The Electricity Act, 2003 has been recently introduced with a view to rationalize electricity tariff, and to bring about transparent policies in the sector. The Act provides for private sector participation in generation, transmission and distribution of electricity, and provides for the corporatization of the state electricity boards. The related Electricity Regulatory Commissions Act, 1998 has been enacted with a view to confer on these statutory Commissions the responsibility of regulating this sector.

**15. Taxation Laws**

**The Income Tax Act, 1961**

The Income Tax Act, 1961 deals with the taxation of individuals, corporate, partnership firms and others. As per the provisions of this Act the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Act. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act. Filing of returns of Income is compulsory for all assesses. The maintenance of Books of Accounts and relevant supporting documents and registers are mandatory under the Act.

**The Goods and Services Tax Act, 2017**

Goods and Services Tax (GST) is considered to be the biggest tax reform in India since independence. It will help realise the goal of "One Nation-One Tax-One Market." GST is expected to benefit all the stakeholders – industry, government and consumer.

Goods and Services Tax (GST) is an indirect tax throughout India and was introduced as The Constitution (One Hundred and Twenty Second Amendment) Act 2017, following the passage of Constitution 122nd Amendment Bill. The GST is governed by GST Council and its Chairman is Union Finance Minister of India - Arun Jaitley. This Act has been made applicable with effect from 1st July 2017. With the introduction of GST all central, state level taxes and levies on all goods and services have been subsumed within an integrated tax having two components – central GST and a state GST. Thus there will be a comprehensive and continuous mechanism of tax credits. The Central government passed four sets of GST Acts in the Budget session this year. These were Central GST Act, 2017; Integrated GST Act, 2017;

Union Territory GST Act, 2017 and GST (Compensation to States) Act, 2017. The Acts were approved by the Parliament after they were introduced as the part of the Money Bill. Following the passage of GST Acts, the GST council has decided 4 tax rate slabs viz., 5%, 12%, 18% and 28% on supply of various goods and services. India has adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single State will be levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that State. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax, therefore, taxes are paid to the State where the goods or services are consumed and not the State in which they were produced.

## **16. Laws Relating to Employment**

Our operations are subject to compliance with certain additional labour and employment laws in India. These include, but are not limited to, the following:

- the Child Labour (Protection and Prohibition) Act, 1986
- the Contract Labour (Regulation & Abolition) Act, 1970
- the Employees Compensation Act, 1923
- the Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- the Employees' State Insurance Act, 1948
- the Equal Remuneration Act, 1976
- the Maternity Benefit Act, 1961
- the Minimum Wages Act, 1948
- the Payment of Bonus Act, 1965
- the Payment of Gratuity Act, 1972
- the Payment of Wages Act, 1936
- the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In order to rationalize and reform labour laws in India, the Government has enacted the following codes:

### **The Code on Wages, 2019**

The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and proposes to subsume four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. Through its notification dated December 18, 2020, the GoI brought into force sections 42(1), 42(2), 42(3), 42(10), 42(11), 67(ii)(s), 67(ii)(t) (to the extent that they relate to the Central Advisory Board) and 69 (to the extent that it relates to sections 7, 9 (to the extent that they relate to the GoI) and 8 of the Minimum Wages Act, 1986) of the Code on Wages, 2019. The remaining provisions of this Code will be brought into force on a date to be notified by the GoI.

### **The Occupational Safety, Health and Working Conditions Code, 2020**

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this Code will be brought into force on a date to be notified by the Central Government. The GoI has issued the draft rules under the Occupational Safety, Health and Working Conditions Code, 2020. The draft rules provide for operationalization of provisions in the Occupational Safety, Health and Working Conditions Code, 2020 relating to safety, health and working conditions of the dock workers, building or other construction workers, mines workers, inter-state migrant workers, contract labour, journalists, audio-visual workers and sales promotion employees.



### **The Industrial Relations Code, 2020**

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this Code will be brought into force on a date to be notified by the GoI.

### **The Code on Social Security, 2020**

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

## **17. The Information Technology Act, 2000 (the "IT Act")**

The IT Act creates liability on a body corporate which is negligent in implementing and maintaining reasonable security practices and procedures, and thereby causing wrongful loss or wrongful gain to any person, while possessing, dealing or handling any sensitive personal data or information in a computer resource owned, controlled or operated by it but affords protection to intermediaries with respect to third party information liability. The IT Act also provides for civil and criminal liability including compensation, fines and imprisonment for various computer related offences. These include offences relating to unauthorized access to computer systems, damaging such systems or modifying their contents without authorization, unauthorized disclosure of confidential information and committing fraudulent acts through computers.

In April 2011, the Department of Information Technology under the then Ministry of Communications and Information Technology notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (the "**IT Personal Data Protection Rules**") under Section 43A of the IT Act and notified the Information Technology (Intermediaries Guidelines) Rules, 2011 and Information Technology (Reasonable security practice and procedure and sensitive personal data or information) Rules, 2021 (the "**IT Intermediaries Rules**") under Section 79(2) of the IT Act. The IT Personal Data Protection Rules prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data. The IT Intermediaries Rules require persons receiving, storing, transmitting or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under the Intermediaries Rules and to disable such information after obtaining knowledge of it.

### **Other Laws**

In addition to the above, our Company is also required to comply with the Indian Contract Act, 1872, the Sales of Goods Act, 1930, the Arbitration Act, 1996, the Negotiable Instruments Act, 1881, the Competition Act, 2002, the Registration Act, 1908, the Indian Stamp Act, 1899 other applicable statutes imposed by the Centre or the State for its day-to-day operations.

## **HISTORY AND CERTAIN CORPORATE MATTERS**

### **Brief History of our Company**

Our Company was originally incorporated as 'Neetu Yoshi Private Limited', a private limited company under Companies Act, 2013, pursuant to a certificate of incorporation dated January 20, 2020 issued by Registrar of Companies, Uttarakhand. Thereafter, our Company was converted into a public limited company pursuant to a resolution passed by our Board at its meeting held on March 4, 2024 shareholders at an Extra-ordinary General Meeting held on March 09, 2024 and a fresh certificate of incorporation dated May 18, 2024 was issued by the Registrar of Companies, consequent upon conversion, the name of our Company was changed from 'Neetu Yoshi Private Limited' to 'Neetu Yoshi Limited'

### **Changes in the Registered Office**

There has been no change in the registered office of our Company since the date of incorporation.

### **Main Objects of our Company**

The main objects contained in our Memorandum of Association are as follows:

1. To manufacture, assemble, Import & export ferrous & non-ferrous spare parts made from casting, fabrication & forging for Railways, automobile industry, mining sector, thermal power station, EPC companies or any other engineering companies.
2. To manufacture, assemble, Import & export rubber, polymer, PU, plastic or equivalent parts made from casting, injection molding or any other process for Railways, automobile industry, mining sector, thermal power station, EPC companies or any other engineering companies.
3. To carry on the business of manufacturers of, dealers in, exporters and importers of all varieties of steel, special steel, tool alloy steel, mild steel and any other kind and grades of steel.
4. To carry on the business of steel furnace and continuous and casting and rolling mill plant for producing steel ingots billets, steel, rods steel wires and in all kinds of steel products whether forged, rolled or drawn and all kinds and all size of re-rolled sections, that is flats, angles, rounds, squares, rails, joints channels, steel strips, plates, deformed bars, plain and cold twisted shafting and steel structural.
5. To manufacture black and galvanized steel tubes and pipes from steel and to produce strips, pipes from steel scrap, billets and slabs.
6. To manufacture, deal, import and export pig, sponge iron, Ferro silicon, Ferro chrome and other ferrous substances and metals of every description and grades and to manufacture, deal, import and export all kinds of any varieties of non-ferrous raw metals such as aluminum, copper, tin, lead, brass and the by-products obtained in processing and manufacturing these raw metals.
7. To carry on business as manufacturers of and dealers in all types of reclaimed rubber and all kinds of rubber products and bye-products and rubber chemicals, plastic and plasticizer, and to deal in all types of rubber scrap products and goods.

The main objects clause as contained in the Memorandum of Association enable our Company to undertake its existing activities.

### **Amendments to the Memorandum of Association**

Set out below are the amendments to our Memorandum of Association since inception of our Company till the date of this Draft Red Herring Prospectus.

<b>Date of Shareholder's resolution/ Effective date</b>	<b>Particulars</b>
January 17, 2023	Increase of the authorized share capital of our Company from ₹14,00,000 (Rupees Fourteen Lakhs) consisting of 1,40,000 (One Lakh and Forty Thousand) Equity Shares of ₹10 each to ₹3,00,00,000 (Rupees Three Crores) consisting of 30,00,000 (Thirty Lakhs) Equity Shares of ₹10 each.
February 14, 2024	Increase of the authorized share capital of our Company from ₹3,00,00,000 (Rupees Three crores) consisting of 30,00,000 (Thirty lakhs) Equity Shares of ₹10 each to ₹ 25,00,00,000 (Rupees Twenty Five Crores) consisting of 2,50,00,000 (Two Crores and Fifty Lakhs) Equity Shares of ₹10 each.
March 09, 2024	Clause I of our Memorandum of Association was amended to reflect the change of name of our Company from "Neetu Yoshi Private Limited" to 'Neetu Yoshi Limited', pursuant to conversion of our Company from private limited to public limited.
May 30, 2024	Sub-division of the authorized share capital of our Company from ₹25,00,00,000 (Rupees Twenty Five Crores) consisting of 2,50,00,000 (Two Crores Fifty Lakhs) Equity Shares of ₹10 each to ₹25,00,00,000 (Rupees Twenty Five Crores) consisting of 5,00,00,000 (Five crore) Equity Shares of ₹5 each

### **Major events and milestones of our Company**

The table below sets forth some of the key events in the history of our Company:

<b>Year</b>	<b>Events and Milestones</b>
2020	Incorporated as Neetu Yoshi Private Limited
2020	Started our business as a trading company dealing in sale of specific grade raw materials to the original equipment manufacturers of Indian Railways
2023	Established our own Manufacturing Facility at Khasara No. 255/256, Fakkarhedhi, Bhagwanpur, Uttarakhand
2023	ISO 9001:2015 - Quality Management System Standard
2023	ISO 14001:2015 - Environmental Management System Standard
2023	ISO 45001:2018 - Occupational Health & Safety Management System
2024	Conversion of our Company from a private limited company to a public limited company

### **Awards and Accreditations**

As on this date of the Draft Red Herring Prospectus our Company has not received any awards and accreditations

### **Significant financial and strategic partnerships**

As of the date of this Draft Red Herring Prospectus, our Company does not have any significant financial or strategic partnerships.

### **Time/cost overrun**

There has been no time or cost over-run in respect of our business operations.

### **Launch of key products or services, entry into new geographies or exit from existing**

For details of key services launched by our Company, entry into new geographies or exit from existing markets, see "*Our Business*" on page no 128.

### **Defaults or rescheduling / restructuring of borrowings with financial institutions / banks**

There have been no instances of rescheduling/ restructuring of borrowings with financial institutions/ banks in respect of our current borrowings from lenders.

**Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. in the last ten years**

Our Company has not made any material acquisitions or divestments of business/ undertakings, mergers, amalgamation, any revaluation of assets, etc. since its incorporation.

**Capacity/facility creation, location of plants**

For details in relation to capacity/facility creation, location of plants, see “*Our Business*” on page no 128.

**Holding company**

As of the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

**Our Subsidiary**

Our Company has one (1) Subsidiary as on the date of this Draft Red Herring Prospectus. Information in relation to our Subsidiaries are set out below:

**1. Neetus Delight Private Limited**

**Corporate Information**

Neetus Delight Private Limited (“**NDPL**”) was incorporated as a private limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated June 26, 2021 issued by the Registrar of Companies, Central registration center. Its Corporate Identification Number is U15490UR2021PTC012561 and its registered office is located at 2/155, Jakhan, Rajpur Road, Dehradun, Dehradun, Uttarakhand, India, 248001.

**Nature of Business**

The company is involved in the business of preparing, manufacturing, processing, marketing, trading, importing, exporting, improving, selling and dealing in all kinds of agro/agri/food products including but not limited to spices, oil seeds, grains, vegetables, herbs, pickles and other items derived from agricultural, farming or relevant activities. Carrying on the business of manufacturers, merchants, producers, chillers, processors, dealers and distributors and deal in all kinds of aerated, artificial or mineral water, carbonated drinks, fruit drinks, canned food, packed food, squashes, syrups, soft drinks, milk and milk products and beverages of every description. Carrying on the business of providing Business Support Services whether information technology enabled or otherwise, including but not limited to providing back-office services, enterprise content and data services, Supply Chain Management, advisory services, public relation, administrative services, promotional activities and to carry on the business of hotel, restaurant, snack bars, catering and others. Carrying on the business of agents and representatives for inland and for foreign principals, in the above lines.

**Capital Structure**

The authorised share capital of NDPL is ₹14,00,000 divided into 1,40,000 equity shares of face value of ₹10 each and the issued, subscribed and paid-up share capital of NDPL is ₹10,00,000 divided into 1,00,000 equity shares of face value of ₹10 each.

**Shareholding Pattern**

Name of the shareholder	Number of equity shares (of face value of ₹10 each) held	Percentage of issued, subscribed and paid-up share capital (%)
Himanshu Lohia	20,000	20
Subodh Lohia	20,000	20

<b>Name of the shareholder</b>	<b>Number of equity shares (of face value of ₹10 each) held</b>	<b>Percentage of issued, subscribed and paid-up share capital (%)</b>
Neetu Yoshi Limited	60,000	60
<b>Total</b>	<b>1,00,000</b>	<b>100</b>

**Accumulated profits or losses not accounted for by our Company**

There are no accumulated profits or losses of NDPL not accounted for by our Company.

**Joint Venture of our Company**

As on the date of this Draft Red Herring Prospectus, our Company does not have any Joint Ventures.

## OUR MANAGEMENT

### Board of Directors

The Articles of Association require that our Board shall comprise of not less than three (3) Directors and not more than fifteen (15) Directors. As on the date of this Draft Red Herring Prospectus, we have five (5) Directors on our Board, comprising of two (2) Executive Directors, one (1) Non-Executive Director and two (2) Independent Directors, including two (2) Woman Directors. The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act and the SEBI Listing Regulations.

The following table sets forth details regarding our Board as on the date of this Draft Red Herring Prospectus.

Name, date of birth, designation, address, occupation, term, period of directorship and DIN	Designation	Other Directorships
<p><b>Himanshu Lohia</b></p> <p><b>Date of birth:</b> January 22, 1997</p> <p><b>Age (years):</b> 27</p> <p><b>Address:</b> 21/155, Jakhan Adhoiwala, Rajpur Road, Dehradun City, Dehradun, Uttarakhand-248001</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> 5 years</p> <p><b>Period of directorship:</b> Since January 20, 2020</p> <p><b>DIN:</b> 08564450</p>	<p>Managing Director &amp; Chief Financial Officer</p>	<p><i>Indian Companies</i></p> <ul style="list-style-type: none"> <li>• Neetu Lohia Foundation;</li> <li>• Neetus Delight Private Limited;</li> <li>• Neetu Realty Private Limited;</li> </ul> <p><i>Foreign Companies</i></p> <p style="text-align: center;">Nil</p>
<p><b>Subodh Lohia</b></p> <p><b>Date of birth:</b> December 13, 1999</p> <p><b>Age (years):</b> 24</p> <p><b>Address:</b> 21/155, Jakhan Adhoiwala, Rajpur Road, Dehradun City, Dehradun, Uttarakhand-248001</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> 5 years</p> <p><b>Period of directorship:</b> Since January 20, 2020</p> <p><b>DIN:</b> 08564451</p>	<p>Whole-Time Director</p>	<p><i>Indian Companies</i></p> <ul style="list-style-type: none"> <li>• Neetu Lohia Foundation;</li> <li>• Neetus Delight Private Limited;</li> <li>• Neetu Realty Private Limited</li> </ul> <p><i>Foreign Companies</i></p> <p style="text-align: center;">Nil</p>

Name, date of birth, designation, address, occupation, term, period of directorship and DIN	Designation	Other Directorships
<p><b>Saundarya Lohia</b></p> <p><b>Date of birth:</b> November 16, 1995</p> <p><b>Age (years):</b> 28</p> <p><b>Address:</b> 21/155, Jakhan, Dehradun, Uttarakhand - 248001</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> Liable to retire by rotation</p> <p><b>Period of directorship:</b> Since August 3, 2024</p> <p><b>DIN:</b> 10569126</p>	Non-Executive Director	<p><i>Indian Companies</i></p> <p>Nil</p> <p><i>Foreign Companies</i></p> <p>Nil</p>
<p><b>Kumar Sharat Chandra</b></p> <p><b>Date of birth:</b> January 05, 1960</p> <p><b>Age (years):</b> 64</p> <p><b>Address:</b> C 804, Rail Vihar, Sector Alpha 1, Near Commercial Belt, Greater Noida, Gautam Buddha Nagar, Uttar Pradesh - 201310</p> <p><b>Occupation:</b> Professional</p> <p><b>Term:</b> 5 years</p> <p><b>Period of directorship:</b> Since May 24, 2024</p> <p><b>DIN:</b> 09713628</p>	Independent Director	<p><i>Indian Companies</i></p> <ul style="list-style-type: none"> <li>• Kalyani Cast-Tech Limited</li> </ul> <p><i>Foreign Companies</i></p> <p>Nil</p>
<p><b>Jyoti Sudhir</b></p> <p><b>Date of birth:</b> January 25, 1980</p> <p><b>Age (years):</b> 44</p> <p><b>Address:</b> C2 801 Water Lily, S G Highway, Adani Shantigram, Vaishnodevi Circle, Ahmedabad, Khodiyar, Ahmedabad, Gujarat-382421</p> <p><b>Occupation:</b> Business</p> <p><b>Term:</b> 5 year</p>	Independent Director	<p><i>Indian Companies</i></p> <ul style="list-style-type: none"> <li>• Pharmspark Private Limited;</li> <li>• Discern Systems Private Limited;</li> <li>• On2cook India Private Limited;</li> <li>• Inventindia Innovations Private Limited</li> </ul> <p><i>Foreign Companies</i></p> <p>Nil</p>

Name, date of birth, designation, address, occupation, term, period of directorship and DIN	Designation	Other Directorships
<b>Period of directorship:</b> Since March 9, 2024		
<b>DIN:</b> 05117740		

#### Arrangement or understanding with major Shareholders, customers, suppliers or others

None of our Directors have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others. For details, see "*History and Certain Corporate Matters*" beginning on page 156.

#### Brief profiles of our Directors

**Himanshu Lohia** is the Managing Director cum Chief Financial Office and also one of the Promoters of our Company. He has completed his Bachelor's of Commerce in International business from University of Wollongong . He has been associated with our Company since January 20, 2020, as a Director and Promoter of our Company. His roles and responsibilities includes finance, marketing, sales, administration operations of the Company. Since he joined the business of the company in the year 2020, he has also been heading the finance division of the business and possess extensive knowledge and experience in the field of accounts and finance. His other ventures include Neetus Delight Private Limited and Neetu Realty Private Limited.

**Subodh Lohia** is the Whole-Time Director and also one of the Promoters of our Company. He has completed his degree of Bachelors in Commerce – International Business from University of Middlesex. He has been associated with our Company since January 20, 2020, as a Director and Promoter of our Company. His roles and responsibilities includes finance, production and operation in the Company. He possesses over 4 years of experience in the field of production and finance. His other ventures include Neetus Delight Private Limited and Neetu Realty Private Limited.

**Saundarya Lohia** is the Non-Executive Director and also one of the Promoters of our Company. She is an Associate member of the Institute of Chartered Accountants of India from February 9, 2020. She possesses 4 years of work experience as a Chief Financial Officer (CFO) in Hariom Industries Limited. She has been associated with our Company since August 3, 2024.

**Kumar Sharat Chandra** is an Independent Director of our Company He has completed his degree Master of Technology from IIT Kanpur. He has around 33 years of work experience as a principal chief mechanical engineer with northeast frontier railways.

**Jyoti Sudhir** is an Independent Director of our Company. She has completed her degree of Bachelor of Science from university of Delhi and Master of Science degree from university of Delhi. She has also completed her post graduate diploma in hospitality and health care management from symbiosis institute of health and science, Pune. She has completed certificate course from Goldman sachs 10,000 Women finance for growth, certificate program in corporate governance from Indian Institute if Corporate Affairs She possesses around 12 years of experience in brand positioning, strategy and finance in InventIndia Innovations private limited

#### Relationship between Directors, Key Managerial Personnel and Senior Management Personnel

Except as disclosed below, none of our Directors are related to each other or to our Key Managerial Personnel or Senior Management Personnel.

Sr. No.	Name	Director/KMP/SMP	Relationship
1.	Himanshu Lohia	Managing Director & CFO	Brother of Subodh Lohia, Whole-Time Director
2.	Subodh Lohia	Whole-Time Director	Brother of Himanshu Lohia, Managing Director



Sr. No.	Name	Director/KMP/SMP	Relationship
3.	Saundarya Lohia	Non-Executive Director	Spouse of Himanshu Lohia, Managing Director

#### Service Contracts entered into by Director

Other than the statutory benefits that the Directors are entitled to, upon their retirement, as per Company policies, they have not entered into any service contracts pursuant to which they are entitled to any benefits upon termination of employment or retirement.

#### Terms of appointment of our Executive Directors and Compensation Paid

The following table sets forth the terms of appointment of Himanshu Lohia with effect from July 30, 2024 for a period of five (5) years and details of the letter of appointment dated July 30, 2024 issued by our Company and received and agreed to by Himanshu Lohia.

Sr. No.	Particulars	Salary and perquisites
1.	Remuneration	₹36.00 lakhs per annum subject to annual increment as determined by the Board and on the recommendation of the Nomination and Remuneration Committee
2.	Other Perquisite and Benefits	Medical reimbursement for self and family, personal accident insurance, leave travel concession for self and family once in a year, leave encashment, provident fund and superannuation contribution, conveyance facilities, communication facilities, actual entertainment and travelling expenses and other allowances.
3.	Remuneration paid for FY 2023-24	₹ 24.00 Lakhs

The following table sets forth the terms of appointment of Subodh Lohia with effect from July 30, 2024 for a period of five (5) years and details of the letter of appointment dated July 30, 2024 issued by our Company and received and agreed to by Subodh Lohia.

Sr. No.	Particulars	Salary and perquisites
1.	Remuneration	₹36.00 lakhs per annum subject to annual increment as determined by the Board and on the recommendation of the Nomination and Remuneration Committee
2.	Other Perquisite and Benefits	Medical reimbursement for self and family, personal accident insurance, leave travel concession for self and family once in a year, leave encashment, provident fund and superannuation contribution, conveyance facilities, communication facilities, actual entertainment and travelling expenses and other allowances.
3.	Remuneration paid for FY 2023-24	₹ 24.00 Lakhs

#### Sitting Fees and commission paid to our Non-executive Directors and Independent Directors:

Pursuant to resolution passed by our Board on July 30, 2024, our Non-Executive Directors including our Independent Directors are entitled to receive a sitting fee of ₹40,000 for attending each meeting of our Board and ₹20,000 for attending each committee meeting of our Board.

#### Remuneration paid or payable to our Directors from our Subsidiaries

None of our Directors has received any remuneration from our Subsidiaries, including any contingent or deferred compensation accrued for Financial Year 2023.

### **Bonus or profit-sharing plan for the Directors**

Our Company does not have any performance linked bonus or profit-sharing plan for our Directors.

### **Shareholding of our Directors**

Our Articles of Association do not require our Directors to hold any qualification shares.

The details of shareholding of our Directors as on the date of this Draft Red Herring Prospectus is set out below.

<b>Sr. No.</b>	<b>Name of the Shareholder</b>	<b>Number of Equity Shares</b>	<b>Percentage of the Equity Share capital (%)*</b>
1.	Himanshu Lohia	1,32,38,400	46.684
2.	Subodh Lohia	1,32,38,400	46.684
3.	Saundarya Lohia	7,00,000	2.453
<b>Total</b>		<b>2,71,76,800</b>	<b>95.821</b>

### **Contingent and/or deferred compensation payable to our Director, Whole-time Director, Managing Directors**

There are no contingent or deferred compensation payable to our Managing Directors and Executive Director which does not form part of his remuneration.

### **Borrowing Powers**

Pursuant to our Articles of Association and the provisions of the Companies Act, 2013 and the rules framed thereunder, our Board is authorized to raise or borrow funds or any sums of monies which together with the money already borrowed does not exceed ₹ 20000.00 lakhs

### **Interest of Directors [**

Our Executive Directors may be deemed to be interested to the extent of remuneration and reimbursement of expenses, if any.

Our Director, Himanshu Lohia and Subodh Lohia is entitled to receive rent for the use of the Corporate Office of our Company and to the extent of security deposit received against the said property. For further details, please see “*Our Business – Properties*” and “*Restated Financial Statements – Note 34 – Related Party Transactions*” on page 147 and 212, respectively

Our Non-Executive Directors may be deemed to be interested to the extent of sitting fees payable to them by our Company for attending meetings of our Board or committees thereof.

Some of our Directors hold positions as directors on the board of directors of our Subsidiaries. In consideration for their services, they may be paid managerial remuneration/ sitting fees in accordance with the provisions of the applicable law.

Our Directors may be interested to the extent of Equity Shares, if any, held by them, or held by the entities in which they are associated as partners, or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees and any dividend and other distributions payable in respect of such Equity Shares.

None of our Directors have availed any loan from our Company.

No sum has been paid or agreed to be paid to our Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/ her to become, or to qualify him/ her as a Director, or otherwise for services rendered by him/ her or by such firm or company, in connection with the

promotion or formation of our Company.

### **Interest in property**

Except as stated in the section “*Our Business*” and “*Financial Information*”, beginning on pages 128, and 179, respectively, our Directors are not interested in any properties of the Company.

### **Interest in promotion or formation of our Company**

Himanshu Lohia, Subodh Lohia and Saundarya Lohia are the promoters of the Company. For further details regarding our promoters, see “*Our Promoters and Promoter Group*”.

### **Business interest**

Except as stated in the sections titled “*Restated Financial Information – Note 28 - Related Party Transaction*” our Directors do not have any other business interest in our Company.

### **Confirmation**

None of our Directors is or was a director of any listed company whose shares have been or were suspended from being traded on any stock exchanges in India during the term of their directorship in such companies, in the last five years preceding the date of this Draft Red Herring Prospectus.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchanges, during the term of their directorship in such Companies.

None of our Directors have been declared as wilful defaulters or fraudulent borrowers.

No proceedings/ investigations have been initiated by SEBI against any company, the board of directors of which also comprises any of our Directors.

None of our Directors, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

### **Confirmation in relation to RBI Circular dated July 1, 2016**

Neither our Company nor any of our Directors have been declared as fraudulent borrowers by RBI in terms of the RBI circular dated July 1, 2016.

### **Changes in our Board during the last three years**

The changes in our Board of our Company during the last three years till the date of this Draft Red Herring Prospectus are set forth below:

<b>Name of Director</b>	<b>Date</b>	<b>Reason</b>
Himanshu Lohia	July 30, 2024	Change in designation to Managing Director
Subodh Lohia	July 30, 2024	Change in designation to Whole-Time Director
Jyoti Sudhir	March 09, 2024	Appointment as Independent Director
Kumar Sharat Chandra	May 24, 2024	Appointment as Independent Director
Saundarya Lohia	August 03, 2024	Appointment as Non-Executive Director of the company

### **Corporate Governance**

As on the date of this Draft Red Herring Prospectus, we have we have five (5) Directors on our Board, comprising of Two (2) Executive Directors, One (1) Non-Executive Women Director and two (2) Independent Directors, including one (1) Woman Director. The present composition of our Board and its committees is in accordance

with the corporate governance requirements provided under the Companies Act and the SEBI Listing Regulations.

The present composition of our Board and its committees is in accordance with the corporate governance requirements provided under the Companies Act, 2013 in relation to the composition of our Board and constitution of committees thereof.

Our Company undertakes to take all necessary steps to continue to comply with all applicable requirements of the SEBI Listing Regulations and the Companies Act, as may be applicable.

### **Board committees**

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- a) Audit Committee;
- b) Nomination and Remuneration Committee;
- c) Stakeholders Relationship Committee;
- d) Corporate Social Responsibility Committee.

Details of each of these committees are as follows:

#### **a) Audit Committee**

The Audit Committee was constituted pursuant to a meeting of our Board held on July 30, 2024.

The Audit Committee currently consists of:

- (i) *Jyoti Sudhir (Chairperson);*
- (ii) *Saundarya Lohia (Member);*
- (iii) *Kumar Sharat Chandra (Member).*

Further, the Company Secretary and Compliance Officer of our Company shall act as the secretary to the Audit Committee.

The scope, functions and the terms of reference of the Audit Committee is in accordance with the Section 177 of the Companies Act, 2013 and Regulation 18 (3) Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule II Part C.

1. oversight of our Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of our auditors;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board of Directors for approval, with particular reference to:
  - (a) matters required to be included in the director's responsibility statement to be included in the Board of Director's report in terms of Section 134(3)(c) of the Companies Act, 2013;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions;
  - (g) modified opinion(s) in the draft audit report.
5. reviewing, with the management, the half-yearly and annually financial statements before submission to the Board of Directors for approval;
6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate

- recommendations to the Board of Directors to take up steps in this matter;
7. reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
  8. approval or any subsequent modification of our transactions with related parties;
  9. scrutiny of inter-corporate loans and investments;
  10. valuation of our undertakings or assets of our Company, wherever it is necessary;
  11. evaluation of internal financial controls and risk management systems;
  12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  14. discussion with internal auditors of any significant findings and follow-up there on;
  15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board of Directors;
  16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  18. to review the functioning of the whistle blower mechanism;
  19. approval of appointment of chief financial officer after assessing the qualifications, experience and background of the candidate;
  20. carrying out any other function as is mentioned in the terms of reference of the audit committee.
  21. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary including existing loans / advances / investments existing as on the date of coming into force of this provision; and
  22. consider and comment on our rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc. on the Company and on our shareholders.

**A. Mandatory review by the Audit Committee:** The Audit Committee shall mandatorily review the following:

1. management discussion and analysis of financial condition and results of operations;
2. statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. management letters / letters of internal control weaknesses issued by the statutory auditors;
4. internal audit reports relating to internal control weaknesses;
5. the appointment, removal and terms of remuneration of the chief internal auditor;
6. statement of deviations involving:
  - (a) half-yearly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations;
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

**b) Nomination and Remuneration Committee:**

The Nomination and Remuneration committee was constituted by a resolution of our Board dated July 30, 2024

The Nomination and Remuneration Committee currently consists of:

- i. *Jyoti Sudhir (Chairperson);*
- ii. *Saundarya Lohia (Member);*
- iii. *Kumar Sharat Chandra (Member).*

The scope, functions, and the terms of reference of the Nomination and Remuneration Committee is in accordance with the Section 178 of the Companies Act, 2013 read with Regulation 19 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The

terms of reference of Nomination and Remuneration Committee shall include the following:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board of Directors and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board of Directors for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - (a) use the services of external agencies, if required;
  - (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - (c) consider the time commitments of the candidates.
3. formulation of criteria for evaluation of performance of independent directors and the Board of Directors;
4. devising a policy on diversity of Board of Directors;
5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;
6. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; and
7. recommend to the Board of Directors, all remuneration, in whatever form, payable to senior management.

c) **Stakeholders' Relationship Committee**

The Stakeholder' Relationship Committee was constituted pursuant to a meeting of our Board held on July 30, 2024.

The Stakeholder'" Relationship Committee is in compliance with Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. The Stakeholders' Relationship Committee currently consists of:

- i. *Jyoti Sudhir (Chairperson);*
- ii. *Saundarya Lohia (Member);*
- iii. *Kumar Sharat Chandra (Member).*

**Role of Stakeholders' Committee**

The role of Stakeholder Relationship Committee, together with its powers, is as follows:

1. resolving the grievances of the security holders of our Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
2. review of measures taken for effective exercise of voting rights by shareholders;
3. review of adherence to the service standards adopted by our Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
4. review of various measures and initiatives taken by our Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of our Company.
5. Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares, debentures or any other securities.
6. Review the process and mechanism of redressal of Shareholders' /Investor's grievance and suggest measures of improving the system of redressal of Shareholders' /Investors' grievances.
7. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting.

**d) Corporate Social Responsibility Committee**

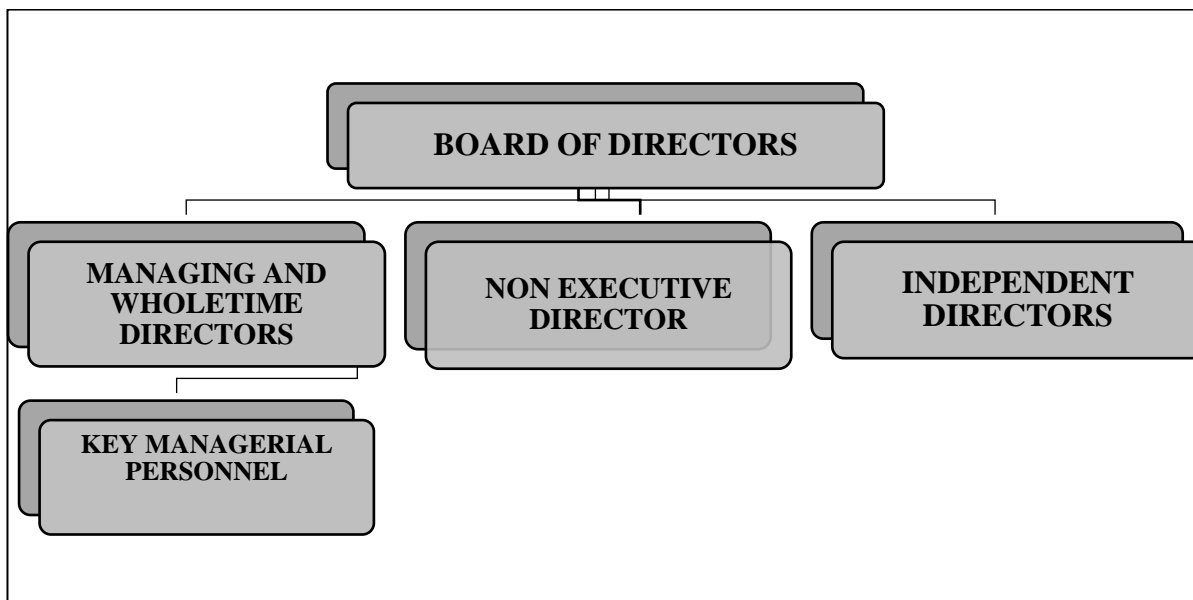
The Corporate Social Responsibility Committee was constituted pursuant to a meeting of our Board held on July 30, 2024. The CSR Committee currently consists of:

- i. *Jyoti Sudhir (Chairperson);*
- ii. *Saundarya Lohia (Member);*
- iii. *Himanshu Lohia (Member).*

The terms of reference of the Corporate Social Responsibility Committee shall include the following:

- 1. formulate and recommend to the Board, a “Corporate Social Responsibility Policy” which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;
- 2. identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
- 3. review and recommend the amount of expenditure to be incurred on the activities referred to in clause (i) and the distribution of the same to various corporate social responsibility programs undertaken by the Company;
- 4. delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
- 5. review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
- 6. any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time; and
- 7. exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

**Management Organization Structure**



**Key Managerial Personnel and Senior Management Personnel**

Other than Himanshu Lohia, the Managing Director and CFO and Subodh Lohia, the Whole-Time Director whose details are provided hereinabove, the details of our Key Managerial Personnel, as on the date of this Draft Red Herring Prospectus are set forth below.

**Pranjul Gupta** is the Company Secretary and Compliance Officer of our Company. He received his Certificate of Membership from the Institute of Company Secretaries of India on May 20, 2014. He possesses over 9 years of experience in the filed of compliance and secretarial services having previously served as a company secretary in several companies.

We have not designated any personnel as Senior Management Personnel of our Company.

**Service Contracts with Key Managerial Personnel and Senior Management Personnel**

Other than the statutory benefits that the Key Managerial Personnel and Senior Management Personnel are entitled to, upon their retirement, Directors and the Key Managerial Personnel of our Company as detailed in their respective appointment letters, they have not entered into any service contracts pursuant to which they are entitled to any benefits upon termination of employment or retirement.

**Relationship amongst Key Managerial Personnel and Senior Management Personnel**

Except as stated in “*Relationship between our Directors, Key Managerial Personnel and Senior Management Personnel*”, none of our Key Managerial Personnel or Senior Management Personnel are related.

**Arrangements and understanding with major Shareholders, customers, suppliers or others**

None of our Key Managerial Personnel and Senior Management Personnel have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

**Contingent and deferred compensation payable to our Key Managerial Personnel and Senior Managerial Personnel**

There is no contingent or deferred compensation payable to any of our Key Managerial Personnel and Senior Managerial Personnel.

**Compensation paid to Key Managerial Personnel and Senior Management Personnel pursuant to a Bonus or Profit-sharing plan**

Our Company does not have any performance linked bonus or profit-sharing plan with any of the Key Managerial Personnel and Senior Management Personnel.

**Status of Key Managerial Personnel and Senior Managerial Personnel**

All our Key Managerial Personnel and Senior Managerial Personnel are permanent employees of our Company.

**Shareholding of Key Managerial Personnel and Senior Managerial Personnel**

Except our Managing Director and CFO and Whole-Time Director, none of our Key Managerial Personnel and Senior Managerial Personnel hold Equity Shares in our Company as on the date of this Draft Red Herring Prospectus.

**Changes in Key Managerial Personnel and Senior Managerial Personnel during the last three years**

Particulars	Reason	Date of Appointment/ Cessation
Himanshu Lohia	Appointment as Chief Financial Officer	May 21, 2024
Pranjul Gupta	Appointment as Company Secretary and Compliance Officer	July 30, 2024

The attrition of Key Managerial Personnel and Senior Managerial Personnel is not high in our Company compared to the industry.



### **Payment or Benefit to Key Managerial Personnel and Senior Managerial Personnel of our Company**

No non-salary related amount or benefit has been paid or given to any officers of our Company, including Key Managerial Personnel and Senior Managerial Personnel since its incorporation or is intended to be paid or given, as on the date of filing of this Draft Red Herring Prospectus other than in the ordinary course of their employment.

### **Employee Stock Options and Stock Purchase**

As on date of this Draft Red Herring Prospectus, our Company does not have any Employee Stock Options and other Equity-Based Employee Benefit Schemes.

### **Policy on disclosures and Internal Procedure for Prevention of Insider Trading**

The provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (SEBI PIT Regulations) will be applicable to our Company immediately upon the listing of its Equity Shares on the BSE SME. We shall comply with the requirements of the SEBI PIT Regulations on listing of Equity Shares on stock exchanges. Further, Board of Directors have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons.

The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the board.

## OUR PROMOTERS AND PROMOTER GROUP

### Our Promoters

Himanshu Lohia, Subodh Lohia, and Saundarya Lohia are the Promoters of our Company. As on the date of this Draft Red Herring Prospectus, our Promoters' shareholding in our Company is as follows:

Sr. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the Equity Share capital (%) <sup>*</sup>
1.	Himanshu Lohia	1,32,38,400	46.38
2.	Subodh Lohia	1,32,38,400	46.38
3.	Saundarya Lohia	7,00,000	2.45
	<b>Total</b>	<b>2,71,76,800</b>	<b>95.22</b>

<sup>\*</sup>Rounded-off to the closest decimal

For details of the build-up of the Promoters' shareholding in our Company, see "*Capital Structure – Other details of shareholding of our Company*", on page 75

### Details of our Individual Promoters



#### **Himanshu Lohia**

Himanshu Lohia born on January 22, 1997, aged 27 years, is the Managing Director and Promoter of our Company. His permanent account number is ANGPL4333G.

For the complete profile of Himanshu Lohia, along with details of his residential address, educational qualifications, experience, positions/ posts held in the past and other directorships, other ventures, special achievements, business and other activities, see "*Our Management*" on page 160.



#### **Subodh Lohia**

Subodh Lohia born on December 13, 1999 aged 24 years, is the Whole Time Director cum CFO and Promoter of our Company. His permanent account number is AZGPL2380R.

For the complete profile of Subodh Lohia, along with details of his residential address, educational qualifications, experience, positions/ posts held in the past and other directorships, other ventures, special achievements, business and other activities, see "*Our Management*" on page 160.



### **Saundarya Lohia**

Saundarya Lohia born on November 16, 1995 aged 28 years, is the Non-Executive Director and Promoter of our Company. His permanent account number is BWCPG1719F.

For the complete profile of Saundarya Lohia, along with details of her residential address, educational qualifications, experience, positions/ posts held in the past and other directorships, other ventures, special achievements, business and other activities, see **“Our Management”** on page 160.

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Our Company confirms that the permanent account number, bank account number(s), passport number, Aadhaar card number and driving license number of Himanshu Lohia, Subodh Lohia and Saundarya Lohia shall be submitted to the Stock Exchange at the time of filing of this Draft Red Herring Prospectus.

### **Changes in control of our Company**

There was no change in control of our Company during the 5 (five) years immediately preceding the date of filing of this Draft Red Herring Prospectus.

### **Interest of our Promoters**

Our Promoters are interested in our Company to the extent of: (i) having promoted our Company; (ii) their shareholding and the shareholding of their relatives in our Company and the dividend payable, if any, and other distributions in respect of the Equity Shares held by them or their relatives; (iii) their directorship in our Company; and (iv) of remuneration payable to them as Directors of our Company

Our Promoters, Himanshu Lohia and Subodh Lohia is entitled to receive rent for the use of the Corporate Office of our Company and to the extent of security deposit received against the said property. For further details, please see **“Our Business – Properties”** and **“Restated Financial Statements – Note 34 – Related Party Transactions”** on page 147 and 226, respectively

Our Promoters are also directors on the boards, or shareholders, proprietors, members or partners or related to persons in control of such entities with which our Company has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to these entities.

For further details, see **“Capital Structure”**, **“Our Management”**, **“Summary of the Issue Document - Related Party Transactions”** and **“Financial Statements”** beginning on pages 71, 160, 25 and 179 respectively.

Except as stated in **“Summary of the Issue Document - Related Party Transactions”** beginning on page 25 and disclosed in **“Our Management”** beginning on page 160, there has been no payment of any amount or benefit given to our Promoters or Promoter Group during the two years preceding the date of filing of the Draft Red Herring Prospectus nor is there any intention to pay any amount or give any benefit to our Promoters or Promoter Group as on the date of filing of this Draft Red Herring Prospectus.

No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are interested as a member, in cash or shares or otherwise by any person either to induce them to become or qualify them as a director or Promoters or otherwise for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

### **Companies or firms with which our Promoters have disassociated in the last three years**

Our Promoters have not disassociated themselves from any company or firm during the three years preceding the date of filing of this Draft Red Herring Prospectus.

### **Experience of our Promoters in the business of our Company**

Except for Saundarya Lohia, all our Promoters are experienced in the line of business in which our Company operates. For details in relation to experience of our Promoters in the business of our Company, see “*Our Management*” and “*Our Promoters*” on pages 160 and 172, respectively.

### **Interest of our Promoters in the property of our Company**

Except as stated in the section “*Our Business*” and “*Financial Information*”, beginning on pages 128 and 179, respectively, our Promoters are not interested in the properties acquired by our Company within the preceding three years from the date of this Draft Red Herring Prospectus or proposed to be acquired by it, or in any transaction by our Company with respect to the acquisition of land, construction of building or supply of machinery, other than in the normal course of business.

### **Material Guarantees given by our Promoters**

Our Promoters have not given any material guarantees to any third party, in respect of the Equity Shares, as on the date of this Draft Red Herring Prospectus.

### **Payment of Amounts or Benefits to the Promoters or Promoter Group During the last two**

Except in the ordinary course of business and as stated in the section “*Related Party Transactions - Financial Information*” on page 226, there has been no payment of amounts or benefits to our Promoters or Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any amount or benefit to our Promoters or members of our Promoter Group.

### **Undertakings/ Confirmations**

Our Promoters have not been declared as Wilful Defaulters or Fraudulent Borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI or any other government authority. Further, there are no violations of securities laws committed by our Promoter and members of the Promoter Group in the past, and no proceedings for violation of securities laws are pending against them.

Our Promoters and members of our Promoter Group have not been debarred from accessing the capital market for any reasons by SEBI or any other regulatory or governmental authorities. Our Promoters are not promoter or director of any other Company which is debarred from accessing capital markets.

Our Promoters are not interested in any other entity which holds any intellectual property rights that are used by our Company.

Our Promoters have not been declared as fugitive economic offender under section 12 of the Fugitive Economic Offender Act, 2018.

There are no defaults in respect of payment of interest and principal to the debenture / bond / fixed deposit holders, banks, FIs by our Company, our Promoter, Group Company and Company promoted by the promoter during the past three years.

There are Personal guarantees given by our Promoters.

### **Promoter Group**

Persons constituting the Promoter Group of our Company in terms of Regulation 2(1) (pp) of the SEBI ICDR Regulations except the Promoters are set out below:

*Natural persons forming part of our Promoter Group (other than our Promoter):*

<b>Name of the Individuals</b>	<b>Relationships</b>
<b>Himanshu Lohia</b>	
Yogesh Lohia	Father
Neetu Lohia	Mother
Subodh Lohia	Brother
Shradha Agarwal	Sister
Saundarya Lohia	Spouse
Virendra Kumar Gupta	Spouse's Father
Neelam Gupta	Spouse's Mother
Saubhya Gupta	Spouse's Brother
<b>Subodh Lohia</b>	
Yogesh Lohia	Father
Neetu Lohia	Mother
Himanshu Lohia	Brother
Shradha Agarwal	Sister
<b>Saundarya Lohia</b>	
Virendra Kumar Gupta	Father
Neelam Gupta	Mother
Saubhya Gupta	Brother
Yogesh Lohia	Spouse's Father
Neetu Lohia	Spouse's Mother
Subodh Lohia	Spouse's Brother
Shradha Agarwal	Spouse's Sister

*Entities forming part of our Promoter Group (other than our Promoters):*

<b>Sr. No.</b>	<b>Name of the entities</b>
<b>Body corporates / entities in which at least 20% of the equity share capital is held by our Promoters or the immediate relatives as set out above of our Promoters / HUF</b>	
1.	Neetus Delight Private Limited
2.	Hariom Paper & Boards Private Limited
3.	ASAL Industries Limited
4.	Hariom Paper Product Limited
5.	Hari Om Fertilisers Private Limited
6.	Maa Mansha Resorts Private Limited
7.	Hariom Industries Limited
8.	Neetu Lohia Foundation
9.	Neetu Realty Private Limited
10.	Virendra Kumar Gupta HUF
<b>Body corporate in which at least 20% of the equity share capital is held by the body corporates forming a part of our Promoter Group as set out above</b>	
1.	Nil

## OUR GROUP COMPANIES

As per the SEBI ICDR Regulations and the applicable accounting standards, for the purpose of identification of group companies, our Company has considered (i) the companies (other than Subsidiaries) with which there are related party transactions as disclosed in the Restated Financial Statements of our Company in any of the last three financial years; and (ii) other companies considered material by our Board pursuant to the Materiality Policy adopted vide resolution dated July 30, 2024.

Accordingly, all such companies with which our company had related party transactions as per the Restated Financial Statements, as covered under the relevant accounting standard have been considered as Group companies in terms of SEBI ICDR Regulations.

Additionally, pursuant to the Materiality Policy, a company shall be considered material and shall be disclosed as a Group Company in this Draft Red Herring Prospectus if a material adverse change in such company, can lead to a material adverse effect on our Company and its revenue and profitability

Accordingly, in terms of the Materiality Policy, the Board has identified Neetu Lohia Foundation the Group Company of the Company.

### Details of our Group Company

#### Neetu Lohia Foundation

*Corporate information and nature of business*

Neetu Lohia Foundationas (“NLF”) having its registered office at 2/155 Jakhan Rajpur Road, Dehradun, Dehradun, Uttarakhand, India, 248001. For the details, please refer the audited financial statements of NLF for financial years ended March 31, 2024, March 31, 2023, and March 31, 2022, which are available on the Company’s website at [www.neetuyoshi.com](http://www.neetuyoshi.com).

#### Public or rights issue in the preceding three years

Our Group Company has not made any public or rights issue (as defined under the SEBI ICDR Regulations) in the three years immediately preceding the date of this Draft Red Herring Prospectus.

#### Details of Group Company under Winding up

As on the date of this Draft Red Herring Prospectus, our Group Company has not been declared insolvent/bankrupt under the Insolvency and Bankruptcy code, 2016 as applicable. Our Group Company do not fall under the definition of sick industrial companies under the erstwhile Sick Industrial Companies (Special Provisions) Act, 1985, as applicable.

#### Interests and common pursuits

- (a) Our Group Company do not have any interests in the promotion of our company.
- (b) Our Group Company is not interested in the properties acquired by our Company in the three years immediately preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company
- (c) Our Group Company do not have any interest in the transaction by our Company pertaining to acquisition of land, construction of building and supply of machinery, etc.
- (d) Except as set forth in "**Restated Financial Statements - Related Party Disclosures**" on page 226 of this Draft Red Herring Prospectus, our Group Company has no business interest in our company.
- (e) There are no common pursuits between our Group company and our Company.

#### Related Business Transactions

Except as set forth in "**Summary of the Draft Red Herring Prospectus - Related Party Transactions**" on page 25 of this Draft Red Herring Prospectus, there are no related business transactions with our Group Company.

## **Litigation**

Our Group company does not have any pending litigation which will have a material impact on our Company.

For further confirmations with respect to our Group company, see "*Other Regulatory and statutory Disclosures*" beginning on page 295 of this Draft Red Herring Prospectus.

## **DIVIDEND POLICY**

Under the Companies Act, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders, who have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors, under the Companies Act, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

Dividends are payable within 30 days of approval by the Equity Shareholders at the Annual General Meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the record date are entitled to be paid the dividend declared by our Company.

Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company. We have not declared dividend in any Financial Year.

We have not declared and paid any dividends on the Equity Shares in any of the five Financial Years preceding the date of this Draft Red Herring Prospectus and until the date of this Draft Red Herring Prospectus. The dividend history in the past is not necessarily indicative of our dividend amounts, if any, in the future.



**SECTION V – FINANCIAL INFORMATION**  
**RESTATED FINANCIAL STATEMENTS**

**INDEPENDENT AUDITORS' EXAMINATION REPORT ON RESTATED CONSOLIDATED SUMMARY STATEMENTS**  
(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)

To,  
**The Board of Directors,**  
**Neetu Yoshi Limited**  
**(Formerly known as Neetu Yoshi Private Limited)**  
**2/155, Jakhan,**  
**Rajpur Road, NA, Dehradun,**  
**Uttarakhand, India, 248001**

Dear Sirs,

1. We have examined the attached Restated Consolidated Summary Statements of **Neetu Yoshi Limited** (Formerly known as **Neetu Yoshi Private Limited**) (the "Company" or the "Issuer") and its subsidiary (the Company and its subsidiary together referred to as the "Group") comprising the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2024, 2023 and 2022, the Restated Consolidated Statements of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Cash Flow Statement for the financial years ended March 31, 2024, 2023 and 2022, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Consolidated Summary Statements"), as approved by the Board of Directors of the Company at their meeting held on August 28, 2024 for the purpose of inclusion in the Draft Prospectus ("DP") prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO") on the SME Platform of BSE Limited.
2. These Restated Consolidated Summary Statements have been prepared in accordance with the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note");
3. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Summary Statements for the purpose of inclusion in the Draft Prospectus to be filed with Securities Exchange Board of India, relevant stock exchanges and Registrar of Companies (ROC), Uttarakhand at Dehradun in connection with the proposed SME IPO. The Restated Consolidated Summary Statements have been prepared by the management of the Company on the basis of preparation stated in Annexure V to the Restated Consolidated Summary Statements. The respective Board of Directors of the Companies included in the Group responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Summary Statements. The respective Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note.



4. We have examined such Restated Consolidated Summary Statements taking into consideration:
- a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated March 4, 2024 in connection with the proposed Initial Public offering of shares on Emerge platform of BSE ("BSA SME") ("IPO" or "SME IPO");
  - b) The Guidance Note on Reports in Company Prospectuses (Revised 2019) (as amended) issued by the Institute of Chartered Accountants of India ("ICAI"), (the "Guidance Note").
  - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Summary Statements; and
  - d) The requirements of Section 26 of the Act and the ICDR Regulations.

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

5. These Restated Consolidated Summary Statements have been compiled by the management from:
- a) Audited Consolidated financial statements of the Company as at and for the year ended March 31, 2024, prepared by the Company in accordance with the Indian Accounting Standards ("Ind AS") as prescribed 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 July 30, 2024.
  - b) Special Purpose Audited financial statements of the Company as at and for the years ended March 31, 2023 and March 31, 2022, prepared by the Company in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India (the "2023 & 2022 Special Purpose Audited Financial Statements") which have been approved by the Board of Directors at their meeting held on August 20, 2024.
6. For the purpose of our examination, we have relied on:
- a) Auditors' report issued by us, dated July 30, 2024, on the Consolidated Financial Statements of the Group as at and for the years ended March 31, 2024, as referred to in Para 5(a) above; and
  - b) Auditors' Reports issued by M/s N Kumar Gupta & Associates, Chartered Accountants, ("Previous Auditor") dated August 20, 2024 on the special purpose audited financial statements of the Company for the financial year ended March 31, 2023 & March 31, 2022 respectively as referred to in Para 5 (b) above. Accordingly, reliance has been placed on the statement of assets and liabilities and statements of profit and loss, the Significant Accounting Policies, and other explanatory information and (collectively, the Audited Financial Statement") examined by them for the said years. The examination report included for the said years is based solely on the audit reports submitted by the Previous Auditor. They have also confirmed that the March 31, 2023 and March 31, 2022 Restated Financial Information:
    - i. 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, 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 year ended March 31, 2024;



- ii. do not require any adjustment for modification as there is no modification in the underlying audit reports; and
  - iii. have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
7. a) Our audit report on audited consolidated financial statements of the Company as at and for the year ended March 31, 2024 referred to in paragraph 5(a) above included the following "Other Matter" paragraph which did not require any correction (included in Annexure VIC in the attached Restated Consolidated Summary Statements)

**"Other Matter"**

*Opening balances has been taken on the basis of the financial statements for the year ended 31st March, 2023 audited by another firm of Chartered Accountants, who have issued an unmodified report dated September 30, 2023.*

- b) Auditors' Reports issued by Previous Auditor dated August 20, 2024 on the special purpose audited financial statements of the Company for the financial year ended March 31, 2023 & March 31, 2022 respectively referred to in paragraph 5(b) above included the following "Emphasis of Matter" and "Other Matter" which did not require any correction (included in Annexure VIC in the attached Restated Consolidated Summary Statements)

**As at and for the year ended March 31, 2023**

**"Emphasis of matter – Basis of preparation and restriction of use"**

1. *We draw attention to Note 1.1 to the Special Purpose Audited financial statements, which describes the basis of preparation of these Special Purpose Audited financial statements which states that these Special Purpose Audited financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS). Accordingly, the Special Purpose Ind AS financial statements may not be suitable for any other purpose and this report should not be used, referred to or distributed for any other purpose. We have no responsibility to update this report for events and circumstances occurring after the date of this report. Our opinion is not modified in respect of this matter."*
2. *The Special purpose Ind AS financial statements for the year ended March 31, 2023 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP or Previous GAAP (Indian GAAP or Previous GAAP means accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014) values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) consistent with that used at the date of transition to Ind AS (April 1, 2022) and as per the presentation, accounting policies and grouping/classifications followed as at and for the year ended March 31, 2024. We shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. 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. This report may be submitted to any regulatory authority, and may be relied upon by other parties, in connection with the IPO. Our opinion is not modified in respect of this matter.*

**"Other Matters"**

*The Company has prepared a separate set of Statutory Financial Statements for the year ended March 31, 2023 ("Indian GAAP Financial Statements") in accordance with the Accounting Standards*



*prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended and other accounting principles generally accepted in India which were audited by us vide our Auditor's report dated September 30, 2023. Our opinion is not modified in respect of the above matter.*

**As at and for the year ended March 31, 2022**

**"Emphasis of matter – Basis of preparation and restriction of use"**

1. *We draw attention to Note 1.1 to the Special Purpose Audited financial statements, which describes the basis of preparation of these Special Purpose Audited financial statements which states that these Special Purpose Audited financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS). Accordingly, the Special Purpose Ind AS financial statements may not be suitable for any other purpose and this report should not be used, referred to or distributed for any other purpose. We have no responsibility to update this report for events and circumstances occurring after the date of this report. Our opinion is not modified in respect of this matter."*
2. *The Special purpose Ind AS financial statements for the year ended March 31, 2022 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP or Previous GAAP (Indian GAAP or Previous GAAP means accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014) values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) consistent with that used at the date of transition to Ind AS (April 1, 2022) and as per the presentation, accounting policies and grouping/classifications followed as at and for the year ended March 31, 2024. We shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. 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. This report may be submitted to any regulatory authority, and may be relied upon by other parties, in connection with the IPO. Our opinion is not modified in respect of this matter.*

**"Other Matters"**

*The Company has prepared a separate set of Statutory Financial Statements for the year ended March 31, 2022 ("Indian GAAP Financial Statements") in accordance with the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended and other accounting principles generally accepted in India which were audited by us vide our Auditor's report dated August 13, 2022. Our opinion is not modified in respect of the above matter.*

- c) *The audit reports on Audited Consolidated Financial Statements of the Group as at and for the year ended March 31, 2024 referred to in paragraph 6 above include the financial statements of Neetu Delight Private Limited ("the subsidiary"), whose financial statements reflect total assets of Rs. 20.39 lakhs, total revenues of Rs. 10.59 lakhs and net cash inflow of Rs. 6.25 lakhs, for the year ended March 31, 2024, which have been audited by M/s N Kumar Gupta & Associates, Chartered Accountants, whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary is based solely on such audited financial statements as provided by the other auditor.*



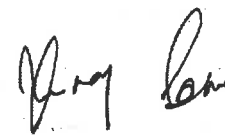
The Other Auditor have examined the Restated Standalone Summary Statements in respect of the subsidiary. The Other Auditors have also confirmed that the March 31, 2024 Restated Standalone Summary Statements of the subsidiary:

- i. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/ reclassifications to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2024 by the Group; and
  - ii. do not require any adjustment for modification as there is no modification in the underlying audit reports ; and
  - iii. have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note
- d) Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the examination reports submitted by (a) the Previous Auditors as at and for the year ended March 31, 2023 and March 31, 2022; and (b) Other Auditor as at and for the years ended March 31, 2024 in respect of the Company's subsidiary, we report that Restated Consolidated Summary Statements of the Group:
- a) have been prepared after incorporating adjustments for changes in accounting policies, material errors and regrouping/ reclassifications retrospectively in the financial years ended March 31, 2023 and March 31, 2022 to reflect the same accounting treatment as per the accounting policies and groupings/classifications followed as at and for the year ended March 31, 2024;
  - b) does not contain any quantifiable qualifications requiring adjustments. There are no audit qualifications in the Companies (Auditor's Report) Order, 2020 for the year ended March 31, 2024. Since the Company was a Small Company in accordance with the Companies Act, 2013 for the year ended March 31, 2023 and March 31, 2022, no reporting was required by the Statutory Auditor under the requirements of Companies (Auditor's Report) Order, 2020 and accordingly, question of audit qualification on the financial statements for the year ended March 31, 2023 and March 31, 2022 does not arise;
  - c) does not require any adjustment for modification as there is no modification in the underlying audit reports; and
  - d) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
- e) We have not audited any financial statements of the Company as of any date or for any period subsequent to March 31, 2024. Accordingly, we express no opinion on the financial position, results of operations, cash flows and statement of changes in equity of the Company as of any date or for any period subsequent to March 31, 2024.
- f) The Restated Consolidated Summary Statements do not reflect the effects of events that occurred subsequent to the dates of the reports on the audited financial statements mentioned in paragraph 5(a) above except:
- i. The effect of issue of bonus shares on Earning per share (EPS) subsequent to signing of audited financial statements
  - ii. The effect of sub-division of face value of shares on Earning per share (EPS) subsequent to signing of audited financial statements



- iii. Note given with respect to increase in authorized share capital
- g) The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to therein.
- h) We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- i) Our report is intended solely for use of the Board of Directors for inclusion in the Offer Document to be filed with the Stock exchange and the ROC in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Bagaria & Co LLP  
Chartered Accountants  
FRN: 113447W/W-100019



CA Vinay Somani  
*Partner*

Membership No.: 143503  
UDIN: 24143503BKDZOQ2608

Place: Mumbai  
Date: August 28, 2024

**Neetu Yoshi Limited (Previously known as Neetu Yoshi Private Limited)**  
**Annexure I - Restated Consolidated Summary of Assets & Liabilities**

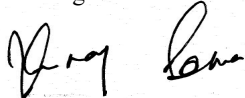
(Rs. in Lakhs)

	Note No	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Property, Plant and Equipment	2A	2,163.85	409.54	31.69
Intangible Assets				
Capital work-in-progress	2B	-	390.40	67.94
<b>Financial Assets</b>				
Other Financial Assets	3	193.53	22.01	16.45
Deferred Tax Assets (Net)	17	-	-	-
Other Non-Current Assets	4	31.00	-	-
<b>Total Non Current Assets</b>		<b>2,388.38</b>	<b>821.95</b>	<b>116.08</b>
<b>Current Assets</b>				
Inventories	5	353.58	55.43	99.83
<b>Financial Assets</b>				
Loans	6	-	-	1.51
Trade Receivables	7	845.58	323.20	74.14
Cash and Cash Equivalents	8	199.72	97.95	5.22
Other Financial Assets	9	7.28	-	-
Other Current Assets	10	54.99	164.61	11.41
<b>Total Current Assets</b>		<b>1,461.14</b>	<b>641.19</b>	<b>192.12</b>
<b>Total Assets</b>		<b>3,849.52</b>	<b>1,463.14</b>	<b>308.20</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
Equity Share Capital	11	388.28	228.40	14.00
Other Equity	12	1,586.02	329.06	255.43
<b>Equity Attributable to owners of the Company</b>				
Non-Controlling Interests		5.09	-	-
<b>Total Equity</b>		<b>1,979.39</b>	<b>557.46</b>	<b>269.43</b>
<b>LIABILITIES</b>				
<b>Non-Current Liabilities</b>				
<b>Financial Liabilities</b>				
Borrowings	13	831.78	502.02	-
Provisions	14	2.27	-	-
Deferred Tax Liabilities (Net)	15	28.34	1.16	0.79
<b>Total Non Current Liabilities</b>		<b>862.38</b>	<b>503.18</b>	<b>0.79</b>
<b>Current Liabilities</b>				



Financial liabilities				
Borrowings	16	907.16	323.36	-
Trade Payables	17			
Total outstanding dues of micro and small enterprises		-	-	-
Total outstanding dues of creditors other than micro and small enterprises		-	41.99	14.92
Other Financial Liabilities	18	74.95	0.47	0.47
Other Current Liabilities	19	-	23.10	21.78
Provisions	20	0.00	-	-
Current Tax Liabilities (Net)	21	25.63	13.58	0.80
<b>Total Current Liabilities</b>		<b>1,007.74</b>	<b>402.50</b>	<b>37.97</b>
<b>Total Liabilities</b>		<b>1,870.13</b>	<b>905.68</b>	<b>38.77</b>
<b>Total Equity and Liabilities</b>		<b>3,849.52</b>	<b>1,463.14</b>	<b>308.20</b>
<b>Material accounting policies and key accounting estimates and judgements</b>	1			
The accompanying notes form an integral part of the financial statements	2A - 46			

**For Bagaria & Co. LLP**  
**Chartered Accountants**  
Firm Registration No. 113447W/W-100019



Vinay Somani  
**Partner**  
Membership No. 143503  
Place: Mumbai  
Date: August 28, 2024

**For and on behalf of Board of Directors of**  
**Neetu Yoshi Limited (Previously known as Neetu Yoshi Pri**

**Himanshu Lohia**  
Managing Director & CFO  
DIN: 08564450  
Place : Dehradun  
Date: August 28, 2024

**Subodh Lohia**  
Whole Time Director  
DIN: 08564451  
Place : Dehradun  
Date: August 28, 2024

**Pranjul Gupta**  
Company Secretary  
Place : Dehradun  
Date: August 28, 2024

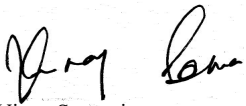
**Neetu Yoshi Limited (Previously known as Neetu Yoshi Private Limited)**  
**Annexure II - Restated Consolidated Summary Statement of Profit and Loss**

(Rs. in Lakhs)


	Note No	Year 2023-24	Year 2022-23	Year 2021-22
Revenue from Operations	22	4,733.42	1,623.07	458.85
Other Income	23	11.94	9.76	4.13
<b>Total Income (I)</b>		<b>4,745.36</b>	<b>1,632.83</b>	<b>462.99</b>
<b>EXPENSES</b>				
Cost of Materials Consumed	24	2,672.80	22.43	-
Purchase of Traded Goods	25	5.55	1,229.05	500.77
Changes in inventories of finished goods and work-in-progress	26	(251.20)	44.40	(98.20)
Employee Benefits Expense	27	167.67	57.11	11.94
Finance Costs	28	120.23	30.71	-
Depreciation and Amortisation Expense	2	79.81	33.57	4.62
Other Expenses	29	431.98	159.28	30.99
<b>Total Expenses (II)</b>		<b>3,226.84</b>	<b>1,576.56</b>	<b>450.12</b>
<b>Profit Before Tax (I-II)</b>		<b>1,518.52</b>	<b>56.27</b>	<b>12.87</b>
<b>Tax Expense</b>				
(1) Current Tax	32	233.12	13.58	3.60
(2) Deferred Tax		27.18	0.37	1.45
(3) Current taxes relating to earlier years		-	-	0.79
<b>Profit for the year</b>		<b>1,258.23</b>	<b>42.32</b>	<b>7.03</b>
<b>Other Comprehensive Income (OCI)</b>				
Items that will not be reclassified to profit or loss				
- Remeasurement of defined benefit plans		-	-	-
- Fair value of Investments at fair value through OCI		-	-	-
- Gain /(Loss) on Investments designated through OCI		-	-	-
- Income tax expense / (benefit) related to items that will not be reclassified to Profit and loss		-	-	-
<b>Total Other comprehensive income (Net of Tax)</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit attributable to:</b>				
Owners		1,256.97	42.32	-
Non-controlling interests		1.26	-	-
		<b>1,258.23</b>	<b>42.32</b>	<b>-</b>
<b>Other Comprehensive Income/ (Loss) attributable to:</b>				
Owners		-	-	-


Non-controlling interests		-	-	-
		-	-	-
<b>Total Comprehensive Income attributable to:</b>				
Owners		1,256.97	-	-
Non-controlling interests		1.26	-	-
		<b>1,258.23</b>	-	-
<b>Total Comprehensive Income for the Year</b>		<b>1,258.23</b>	<b>42.32</b>	<b>7.03</b>
<b>Earnings per Equity Share of Rs.10 Each</b>	36			
Basic (in Rs)		7.40	2.79	0.72
Diluted (in Rs)		7.40	2.79	0.72
<b>Material accounting policies and key accounting estimates and judgements</b>	1			
The accompanying notes form an integral part of the financial statements				
	2A - 46			

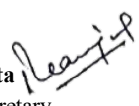
**For Bagaria & Co. LLP**  
**Chartered Accountants**  
Firm Registration No. 113447W/W-100019

  
Vinay Somani  
**Partner**  
Membership No. 143503  
Place: Mumbai  
Date: August 28, 2024

**For and on behalf of Board of Directors of**  
**Neetu Yoshi Limited (Previously known as Neetu Yoshi Limited)**

  
**Himanshu Lohia**  
Managing Director & CFO  
DIN: 08564450  
Place : Dehradun  
Date: August 28, 2024

  
**Subodh Lohia**  
Whole Time Dir  
DIN: 08564451  
Place : Dehradun  
Date: August 28

  
**Pranjul Gupta**  
Company Secretary  
Place : Dehradun  
Date: August 28, 2024

**Neetu Yoshi Limited (Previously known as Neetu Yoshi Private Limited)**  
**Annexure III - Restated Consolidated Summary Statement of Changes in Equity**

**A. Equity Share Capital**

(Rs. in Lakhs)

	Year 2023-24	Year 2022-23	Year 2021-22
Balance as at the beginning of the period	228.40	14.00	14.00
Changes in equity share capital due to prior period errors	-	-	-
Restated Balance as at the beginning of the year	228.40	14.00	14.00
Changes in equity share capital during the year	159.88	214.40	-
<b>Balance as at the end of the year</b>	<b>388.28</b>	<b>228.40</b>	<b>14.00</b>

**B. Other Equity**

(Rs. in Lakhs)

	Reserves and Surplus			OCI	Total
	Share Premium	Retained Earnings	Share Application Money Pending Allotment	Remeasurement of net defined benefit plan	
<b>Balance as on 31.03.2021</b>	-	8.10	-	-	8.10
Profit for the year	-	7.03	-	-	7.03
Share Application Money Pending Allotment	-	-	240.30	-	240.30
<b>Total for the year</b>	-	15.13	240.30	-	255.43
Dividends paid	-	-	-	-	-
Deffered Tax Written off	-	-	-	-	-
<b>Balance as on 31.03.2022</b>	-	15.13	240.30	-	255.43
Profit for the year	-	42.32	-	-	42.32
Other Comprehensive Income	-	-	-	-	-
Share Premium	271.60	-	-	-	271.60
<b>Total for the year</b>	271.60	57.46	240.30	-	569.36
Dividends paid	-	-	-	-	-
Reversal of Share Application Money Pending Allotment	-	-	(240.30)	-	(240.30)
<b>Balance as on 31.03.2023</b>	271.60	57.46	-	-	329.06
Profit for the year	-	1,256.97	-	-	1,256.97
Other Comprehensive Income	-	-	-	-	-
<b>Total for the year</b>	271.60	1,314.42	-	-	1,586.02
Dividends paid	-	-	-	-	-
Issue of Shares	-	-	-	-	-
<b>Balance as on 31.03.2024</b>	271.60	1,314.42	-	-	1,586.02

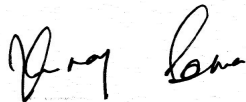
Material accounting policies and key accounting estimates and judgements (Refer Note 1)

The accompanying notes form an integral part of the financial statements (Refer Notes 2A - 46)

**For Bagaria & Co. LLP**

Chartered Accountants

ICAI Firm Registration No. 113447W/W-100019



Vinay Somani

Partner

Membership No. 143503

Place: Mumbai

Date: August 28, 2024

**For and on behalf of Board of Directors of**

**Neetu Yoshi Limited (Previously known as Neetu Yoshi Private Limited)**

**Himanshu Lohia**

Managing Director & CFO

DIN: 08564450

Place : Dehradun

Date: August 28, 2024

**Subodh Lohia**

Whole Time Director

DIN: 08564451

Place : Dehradun

Date: August 28, 2024

**Pranjul Gupta**

Company Secretary

Place : Dehradun

Date: August 28, 2024

**Neetu Yoshi Limited (Previously known as Neetu Yoshi Private Limited)**  
**Annexure IV - Restated Consolidated Summary Statement of Cash flows**

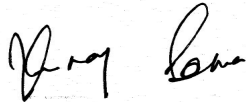
(Rs. in Lakhs)

Particulars	Year 2023-24	Year 2022-23	Year 2021-22
<b>A Cash flow from operating activities:</b>			
<b>Net profit before tax</b>	1,518.52	56.27	12.87
<b>Adjustment to reconcile profit before tax to net cash flows</b>			
Depreciation and Amortisation Expense	79.81	33.57	4.62
Net Loss / (gain) on sale of investments measured at fair value through Profit or Loss	-	-	-
Net loss / (gain) arising on Investments measured at fair value through Profit or Loss	-	-	-
Profit on Sale of property, Plant and Equipment	-	-	-
Loss on account of Fire	-	-	-
Dividend Income	-	-	-
Provision for Employee Benefits	-	-	-
Interest received	(8.06)	-	-
Provision for Expected Credit Losses	2.63	1.00	-
Liabilities no longer required written back	-	(2.92)	(0.02)
Liabilities no longer required written off	-	-	-
Goodwill Written off	0.26	-	-
Net unrealised foreign exchange loss/ (gain)	-	-	-
Interest expenses	120.23	30.71	-
<b>Operating profit before working capital changes</b>	<b>1713.38</b>	<b>118.64</b>	<b>17.47</b>
<b>Adjustment for</b>			
Decrease/ (Increase) in other financial assets	(23.09)	14.43	(1.45)
Decrease/ (Increase) in non current assets	-	-	-
Decrease/ (Increase) in trade receivables	(525.00)	(247.14)	73.18
Decrease/ (Increase) in other current assets	109.62	(153.20)	(11.26)
Decrease/ (Increase) in Inventories	(298.15)	44.40	(98.20)
(Decrease)/ Increase in trade payables	(41.99)	27.07	5.85
(Decrease)/ Increase in Other financial liabilities	74.48	-	-
(Decrease)/ Increase in other current liabilities	(23.10)	1.32	21.78
(Decrease)/ Increase in provisions	14.22	12.78	(1.89)
<b>Cash generated from operations</b>	<b>1000.36</b>	<b>(181.69)</b>	<b>5.48</b>
Direct taxes paid (net)	(233.12)	(13.58)	(3.60)
<b>Net cash generated from operating activities</b>	<b>767.25</b>	<b>(195.27)</b>	<b>1.89</b>
<b>B Cash Used in investing activities</b>			
Purchase of property, plant and equipment and Intangible assets, Capital Work in Progress	(1,474.73)	(739.39)	(70.48)
Proceeds from sale of property, plant and equipment	-	5.51	-
Purchase of Investment Property	-	-	-
Sale (Purchase) of Investments (Net)	-	-	-
(Increase)/ Decrease in Term Deposits (Net)	(155.70)	(20.00)	-
Dividend Received	-	-	-
Interest received	8.06	-	-
<b>Net Cash used in investing activities</b>	<b>(1622.36)</b>	<b>(753.88)</b>	<b>(70.48)</b>
<b>C Cash Used in financing activities</b>			
Loans Given	-	1.51	28.89
Receipt (Repayment) in Borrowings	913.56	825.38	(195.80)
Principal Payment of Lease Liabilities	-	-	-
Receipt from issue of Shares	159.88	245.70	-
Receipt from Share Application Money Pending Allotment	-	-	240.30
Transactions Non Controlling Interest	191	3.67	-
Dividend Paid	-	-	-

Interest paid	(120.23)	(30.71)	-
<b>Net Cash used in financing activities</b>	<b>956.88</b>	<b>1,041.88</b>	<b>73.39</b>
<b>D Net Increase in cash and cash equivalent ( A+B+C)</b>	<b>101.77</b>	<b>92.73</b>	<b>4.79</b>
<b>Cash and Cash equivalents (Refer Note 11 for components of Cash and Cash Equivalent)</b>			
At the beginning of the year	97.95	5.22	0.42
Effect of exchange differences on restatement of foreign currency cash and cash equivalents			
At the end of the year	<b>199.72</b>	<b>97.95</b>	<b>5.22</b>

**Material accounting policies and key accounting estimates and judgements (Refer Note 1)**  
**The accompanying notes form an integral part of the financial statements (Refer Notes 2A - 46)**

**For Bagaria & Co. LLP**  
**Chartered Accountants**  
Firm Registration No. 113447W/W-100019



**Vinay Somani**  
Partner  
Membership No. 143503  
Place: Mumbai  
Date: August 28, 2024

**For and on behalf of Board of Directors of**  
**Neetu Yoshi Limited (Previously known as Neetu Yoshi Private Limited)**

**Himanshu Lohia**  
Managing Director & CFO  
DIN: 08564450  
Place : Dehradun  
Date: August 28, 2024



**Subodh Lohia**  
Whole Time Director  
DIN: 08564451  
Place : Dehradun  
Date: August 28, 2024



Company Secretary  
Place : Dehradun  
Date: August 28, 2024



**Material accounting policies and explanatory notes to Financial Statements**

**Company Profile**

Neetu Yoshi Limited (Previously known as Neetu Yoshi Private Limited) ("the Company" or "the Holding Company") is a Company incorporated on 20th January 2020 having its registered office at Dehradun, Uttarakhand, India. The Company is engaged in casting of Bogie Components, Locomotive Components & Railway track Components, etc.

Neetus Delight Private Limited was incorporated on 26th June 2021 and is primarily engaged in manufacturing of food products & beverages.

The Restated Consolidated Summary Statement include the financial information of the Parent Company and its subsidiary (hereinafter referred as 'the Group')

**1 Material accounting policies**

This note provides a list of the Material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

**1.1 Basis of Preparation**

The Restated Consolidated Summary Statements of the Group comprises of the Restated Consolidated Summary Statement of Assets and Liabilities as at March 31, 2024, March 31, 2023, and 2022, the related Restated Consolidated Summary Statements of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Cash Flow Statement for the financial years ended March 31, 2024, 2023 and 2022, the Summary Statement of Material accounting policies, and other explanatory information (collectively, the 'Restated Consolidated Summary Statements').

These Restated Consolidated Summary Statements have been prepared by the Management for the purpose of inclusion in the Draft Red Herring Prospectus (the "DRHP") to be filed with Securities Exchange Board of India, relevant stock exchanges and Registrar of Companies, Mumbai in connection with the proposed SME IPO. The Restated Consolidated Summary Statements have been prepared by the Company in terms of the requirements of:

- a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act");
- b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
- c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

The Group's Restated Consolidated Summary Statements for the year ended 31 March 2024, 31 March 2023 and 31 March 2022 were approved by Board of Directors on August 28, 2024.

These Restated Consolidated Summary Statements have been compiled by the management from:

- a) Audited Consolidated Financial Statements of the Group as at and year ended March 31, 2024 prepared in accordance with the Indian Accounting Standards as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India (referred to as "Ind AS"), which have been approved by the Board of Directors at their meeting held on July 30, 2024
- b) Audited special purpose Ind AS financial statements of the Company as at and for the years ended March 31, 2023 and March 31, 2022, which were prepared by the Company after taking into the consideration the requirements of the SEBI Letter and were approved by the Board of Directors at their meeting held on August 20, 2024.

Pursuant to the Companies (Indian Accounting Standard) Second Amendment Rules, 2015, the Company voluntarily adopted March 31, 2024 as reporting date for first time adoption of Indian Accounting Standard (Ind-AS) - notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and consequently April 01, 2022 as the transition date for preparation of its statutory financial statements as at and for the year ended March 31, 2024. The financial statements as at and for the year ended March 31, 2024, were the first financial statements, prepared in accordance with Ind-AS.

Upto the Financial year ended March 31, 2023, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 ("Indian GAAP" or "Previous GAAP") due to which the Special purpose Ind AS financial statements were prepared consequent to SEBI Letter. The reconciliation between Previous GAAP and Ind AS has been disclosed in Note 41.

The audited special purpose Ind AS financial statements as at and for the year ended March 31, 2023, and March 31, 2022 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed, as per Ind AS 101) consistent with that used at the date of transition to Ind AS (April 01, 2022) and as per the presentation, accounting policies and grouping/classifications including revised Schedule III disclosures followed as at and for the year ended March 31, 2024 in accordance with Ind AS, pursuant to the SEBI Letter.

The statutory financials for the year ended March 31, 2023 and March 31, 2022 is prepared in accordance with the requirements of previous GAAP, which includes standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) ("Previous GAAP"). The Special purpose Ind AS financials statements are prepared for the limited purpose of complying with the SEBI letter and are not the statutory financial statements under Companies Act.

The Restated Summary Statements have been prepared on a going concern basis.

The Restated Summary Statements have been prepared on an accrual basis under the historical cost convention except for certain assets and liabilities that are measured at fair value as mentioned below.

- defined benefit plans – plan assets measured at fair value
- certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

The Restated Summary Statements have been prepared on the historical cost basis, except for the certain assets and liabilities (refer accounting policy regarding financial instruments) and share based payments which have been measured at fair value as per Ind AS 102.

The restated financial Information provide comparative information in respect of the previous period.

The accounting policies are applied consistently to all the periods presented in the restated financial Information.

The Restated Financial Information are presented in Rs. and all values are rounded to the nearest lakh upto two decimal, except when otherwise indicated.

### **Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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



The Company classifies all other liabilities as noncurrent.

Deferred tax assets and liabilities are classified as noncurrent assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

## **1.2 Use of Estimates and Judgments**

In preparing the Financial statements, the Management has to make certain assumptions and estimates that may substantially impact the presentation of the Company's financial position and/ or results of operations.

The estimates and judgments used in the preparation of the Financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Although the Company regularly assesses these estimates, actual results may differ from these estimates. Changes in estimates are recorded in the periods in which they become known.

## **1.3 Summary of Material accounting policies**

### **(a) Property, Plant & Equipment**

#### **Measurement at recognition:**

An item of property, plant and equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred

#### **Capital work in progress and Capital advances:**

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each balance sheet date are disclosed as Other Non-Current Assets.

#### **Transition to Ind AS**

On transition to Ind AS, the Company has elected to consider the carrying value of all its property, plant and equipment appearing in the financial statements prepared in accordance with Accounting Standards notified under Section 133 of the Act, read together with Rule 7 of the Companies (Accounts) Rules, 2014, and used the same as deemed cost in the Opening Ind AS Balance Sheet as at 1 April 2022.

#### **Depreciation and Amortisation**

Depreciation on each part of an item of property, plant and equipment is provided using the WDV Method based on the useful life of the assets as prescribed in Schedule II to the Act.

The Estimated useful lives of the assets are as follows:

<b>Asset Class</b>	<b>Useful Life</b>
Office Building	60 years
Factory Building	30 years
Plant & Machinery	15 years
Furniture & Fixtures	10 years
Vehicles	8 years
Office Equipment	5 years
Computers	3 years

The estimated useful life, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

**Derecognition:**

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized

**(b) Investment property**

Properties held to earn rentals and/or capital appreciation are classified as investment property and are measured and reported at cost, including transaction costs and borrowing costs capitalised for qualifying assets. Policies with respect to depreciation, useful life and derecognition are followed on the same basis as stated for PPE above.

**(c) Intangible Assets**

**Measurement at recognition:**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment loss, if any.

The Company had elected to consider the carrying value of all its intangible assets appearing in the financial statements prepared in accordance with Accounting Standards notified under the section 133 of the Act, read together with Rule 7 of the Companies (Accounts) Rules, 2014 and used the same as deemed cost in the opening Ind AS Balance sheet prepared on 1st April, 2022.

**Amortisation:**

Intangible Assets with finite lives are amortised on a written down value basis over the estimated useful economic life. The amortisation expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss.

The amortisation period and the amortisation method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

**Derecognition:**

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized

**(d) Revenue Recognition**

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

#### **Sale of Products:**

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and goods and services tax. Transaction price is recognized based on the price specified in the contract, net of the estimated sales incentives/ discounts.

#### **Export Incentive:**

Income from Export Incentives such as duty drawback and MEIS are recognised on accrual basis to the extent the ultimate realisation is reasonably certain.

#### **Contract Balances**

##### ***Contract Assets***

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

##### ***Contract Liabilities***

A contract liability is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Company transfers the related goods. Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

#### **(e) Other Income**

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts over the expected life of the financial asset to the asset's gross carrying amount on initial recognition. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument.

#### **(f) Inventories**

Inventories encompass goods consumed in production (raw materials, packing materials and stores and spare parts), goods in the production process for sale (work-in-progress) and goods held for sale in the ordinary course of business (finished goods). Inventories are recognised at the lower of their cost of acquisition calculated by the weighted average method and at their net realisable value. The net realisable value is the estimated selling price in the ordinary course of business less estimated cost of completion and expenses necessary to make the sale.

#### **(g) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

## **(i) Financial Assets**

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. The Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

### **Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

### **Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in Other Income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

**Debt instrument at FVTOCI**

A 'debt instrument' is measured as at FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The contractual terms of the instrument give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the profit or loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit or loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

**Debt instrument at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all the changes in the profit or loss.

**Equity instruments**

All equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, including foreign exchange gain or loss and excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the profit or loss.

## **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The contractual rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive contractual cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement, and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in OCI and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

## **Impairment of financial assets**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or any contractual right to receive cash or another financial asset.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables.

The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

## **Financial liabilities and equity instruments**

### **Classification as debt or equity**

Debt and 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

## **(ii) 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 recognised at the proceeds received, net of direct issue costs.

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

### **Compound financial instruments**

The component parts of compound financial instruments (convertible notes) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and lease liabilities, financial guarantee contracts and derivative financial instruments.

### **Subsequent measurement**

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

### **Financial liabilities at fair value through profit or loss**

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or is designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred principally for the purpose of repurchasing in the near term or on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking. This category also includes derivative financial instruments that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For instruments not held-for-trading financial liabilities designated as at FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognised in OCI, unless the recognition of the effects of changes in the liability's credit risk in OCI would create or enlarge an accounting mismatch in profit or loss, in which case these effects of changes in credit risk are recognised in profit or loss. These gains/ losses are not subsequently transferred to profit or loss. All other changes in fair value of such liability are recognised in the statement of profit or loss.

### **Financial liabilities subsequently measured at amortised cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost in subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest rate (EIR) method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item in the profit or loss.

After initial recognition, such financial liabilities are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the profit or loss.

### **Financial guarantee contracts**

Financial guarantee contracts are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. If not designated as at FVTPL, are subsequently measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount initially recognised less cumulative amount of income recognised.

### **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

### **Reclassification of financial assets**

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

### **Dividend distribution to equity holders of the Company**

The Company recognises a liability to make dividend distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

### **(h) Fair Value Measurement**

. Fair value measurement

The Company measures financial instruments at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.



All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.'

**(i) 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.

**(j) Foreign Currency Transactions**

The Financial statements are presented in Indian Rupee, which is the Company's functional and presentation currency. A company's functional currency is that of the primary economic environment in which the company operates.

Foreign currency transactions are translated into the functional currency using the exchange rate at the date of the transaction. Foreign exchange gains/ losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in the Statement of Profit and Loss.

**Monetary items:**

Transactions in foreign currencies are initially recorded at their respective exchange rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss either as profit or loss on foreign currency transaction and translation or as borrowing costs to the extent regarded as an adjustment to borrowing costs

**Non – Monetary items:**

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

**(k) Income tax**

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

**Current Tax:**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

**Deferred Tax:**

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial statements and the corresponding tax bases used in the computation of taxable profit under Income tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

**Presentation of current and deferred tax:**

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company

**(I) Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised 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. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognised but are disclosed in notes.

Contingent assets are not disclosed in the Financial statements unless an inflow of economic benefits is probable.

**(m) Cash & Cash Equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and demand deposits with an original maturity of three months or less and highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**(n) Provision for Employee Benefits**

**Short Term Employee Benefit obligation:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and they are recognized in the period in which the employee renders the related service. The Company recognizes the undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered as a liability (accrued expense) after deducting any amount already paid.

**Long Term Employee Benefit obligation:**

**I. Defined Contribution plans:**

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

**II. Gratuity Obligation**

The liability or asset recognised in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit and loss as past service cost.

**III. Compensated absences (non-funded):**

The plan is non-funded and non-contributory defined benefit and cover the Company's liability for privilege leave. Under the compensated absences plan, leave encashment is payable to eligible employees on separation from the Company due to death, retirement, superannuation or resignation.

The Company determines the liability for such accumulated leaves using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date. Expenses related to other long term employee benefits are recognized in the Statement of Profit and loss (including actuarial gain and loss).

**(o) Impairment of Non-financial Assets**

Non-financial assets other than inventories, deferred tax assets are reviewed at each Balance Sheet date to determine whether there is any indication of impairment. If any indication of such impairment exists, the recoverable amount of such assets / cash generating unit is estimated and in case the carrying amount of these assets exceeds their recoverable amount, an impairment is recognised.

The recoverable amount is the higher of the fair value less cost to sell and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. Assessment is also done at each Balance Sheet date as to whether there is indication that an impairment loss recognised for an asset in prior accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss.

**(p) Segment reporting**

The Company identifies operating segments based on the dominant source, nature of risks and returns and the internal organisation. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the Managing Director (who is the Company's chief operating decision maker) in deciding how to allocate resources and in assessing performance

**(q) Dividends Payable**

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

**(r) Earnings Per Share**

Basic earnings per share are calculated by dividing the Profit or Loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the Profit or Loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

**(s) Events after reporting date**

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

**(t) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

**(u) Use Of Critical Estimates, Judgments And Assumptions**

The preparation of the Company's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- a) Litigations [Refer Note 1 (1.3) (l) and Note 34]
- b) Revenue [Refer Note 1(1.3)(d)]

**(v) Rounding Of Amounts**

All amounts disclosed in the Financial statements and notes have been rounded off to the nearest lakhs, unless otherwise stated.

**(x) Recent Accounting Pronouncements**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the financial year beginning from 1 April 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

**Part C Non - Adjusting Events**

Auditor's report on the Audited Special Purpose Audited financial statements for the year ended March 31, 2024, March 31, 2023 and March 31, 2022, includes emphasis of matter, and Other matters as follows:

**As at and for the year ended March 31, 2024**

**Other Matter**

Opening balances has been taken on the basis of the financial statements for the year ended 31st March, 2023 audited by another firm of Chartered Accountants, who have issued an unmodified report dated 30th September 2023

**As at and for the year ended March 31, 2023**

**Emphasis of matter – Basis of preparation and restriction of use**

1. We draw attention to Note 1.1 to the Special Purpose Audited financial statements, which describes the basis of preparation of these Special Purpose Audited financial statements which states that these Special Purpose Audited financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS). Accordingly, the Special Purpose Ind AS financial statements may not be suitable for any other purpose and this report should not be used, referred to or distributed for any other purpose. We have no responsibility to update this report for events and circumstances occurring after the date of this report. Our opinion is not modified in respect of this matter.”

The Special purpose Ind AS financial statements for the year ended March 31, 2023 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP or Previous GAAP (Indian GAAP or Previous GAAP means accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014) values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) consistent with that used at the date of transition to Ind AS (April 1, 2022) and as per the presentation, accounting policies and grouping/classifications followed as at and for the year ended March 31, 2024. We shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. 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. This report may be submitted to any regulatory authority, and may be relied upon by other parties, in connection with the IPO. Our opinion is not modified in respect of this matter.

**Other Matters:**

1. The Company has prepared a separate set of Statutory Financial Statements for the year ended March 31, 2023 (“Ind As Consolidated Financial Statements”) in accordance with the Ind AS prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India which were audited by M/s N Kumar Gupta & Associates (“Previous Auditors”) who issued an unmodified auditor’s report dated September 30, 2023. Our opinion is not modified in respect of the above matter.

**As at and for the year ended March 31, 2022**

**Emphasis of matter – Basis of preparation and restriction of use**

1. We draw attention to Note 1.1 to the Special Purpose Audited financial statements, which describes the basis of preparation of these Special Purpose Audited financial statements which states that these Special Purpose Audited financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS). Accordingly, the Special Purpose Ind AS financial statements may not be suitable for any other purpose and this report should not be used, referred to or distributed for any other purpose. We have no responsibility to update this report for events and circumstances occurring after the date of this report. Our opinion is not modified in respect of this matter.”

2. The Special purpose Ind AS financial statements for the year ended March 31, 2022 have been prepared after making suitable adjustments to the accounting heads from their Indian GAAP or Previous GAAP (Indian GAAP or Previous GAAP means accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014) values following accounting policies and accounting policy choices (both mandatory exceptions and optional exemptions availed as per Ind AS 101) consistent with that used at the date of transition to Ind AS (April 1, 2022) and as per the presentation, accounting policies and grouping/classifications followed as at March 31, 2024. We shall not be liable to the Company or to any other concerned for any claims, liabilities or expenses relating to this assignment. 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. This report may be submitted to any regulatory authority, and may be relied upon by other parties, in connection with the IPO. Our opinion is not modified in respect of this matter.

**Other Matters:**

The Company has prepared a separate set of Statutory Financial Statements for the year ended March 31, 2022 (“Indian GAAP Financial Statements”) in accordance with the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended and other accounting principles generally accepted in India which were audited by us vide our Auditor's report dated August 13, 2022. Our opinion is not modified in respect of the above matter.

**Neetu Yoshi Limited (Previously known as Neetu Yoshi Private Limited)**  
**Annexure VII - Notes to Restated Consolidated Summary Statements**

**2A Property, Plant and Equipment**

(Rs. in Lakhs)

Description of Assets	Freehold Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Total	
<b>Balance as at 31st March, 2021</b>	-	-	-	-	<b>31.30</b>	<b>5.51</b>	<b>0.31</b>	37.12	
Additions during the year	-	-	3.54	-	-	-	-	3.54	
Disposals during the year	-	-	-	-	-	-	-	-	
<b>Balance as at 31st March, 2022</b>	-	-	<b>3.54</b>	-	<b>31.30</b>	<b>5.51</b>	<b>0.31</b>	<b>40.65</b>	
Additions during the year	-	-	395.42	-	18.50	-	1.93	415.86	
Disposals during the year	-	-	-	-	-	5.51	-	5.51	
<b>Balance as at 31st March, 2023</b>	-	-	<b>398.96</b>	-	<b>49.80</b>	-	<b>2.24</b>	<b>451.00</b>	
Additions during the year	-	-	867.23	-	84.88	4.71	14.96	971.78	
Disposals during the year	-	-	-	-	-	-	-	-	
Adjustments made during the year	-	-	-	-	-	-	-	-	
Capitalisation during the year	47.98	313.71	500.66	-	-	-	-	862.34	
<b>Balance as at 31 March, 2024</b>	-	<b>47.98</b>	<b>313.71</b>	<b>1,766.85</b>	-	<b>134.68</b>	<b>4.71</b>	<b>17.20</b>	<b>2,285.12</b>
<b>Accumulated Depreciation</b>									
<b>Balance as at 31st March, 2021</b>	-	-	-	-	<b>3.72</b>	<b>0.52</b>	<b>0.10</b>	<b>4.34</b>	
Depreciation expense for the year	-	-	0.06	-	3.91	0.55	0.10	4.62	
Eliminated on disposal of asset	-	-	-	-	-	-	-	-	
<b>Balance as at 31st March, 2022</b>	-	-	<b>0.06</b>	-	<b>7.63</b>	<b>1.07</b>	<b>0.20</b>	<b>8.96</b>	
Depreciation expense for the year	-	-	26.60	-	6.23	-	0.75	33.57	
Eliminated on disposal of asset	-	-	-	-	-	1.07	-	1.07	
<b>Balance as at 31st March, 2023</b>	-	-	<b>26.66</b>	-	<b>13.86</b>	-	<b>0.94</b>	<b>41.46</b>	
Depreciation expense for the year	-	0.28	70.03	-	6.43	0.32	2.75	79.81	
Eliminated on disposal of asset	-	-	-	-	-	-	-	-	
<b>Balance as at 31 March, 2024</b>	-	<b>0.28</b>	<b>96.69</b>	-	<b>20.29</b>	<b>0.32</b>	<b>3.70</b>	<b>121.27</b>	
<b>Net Carrying amount</b>									
Balance as at 31st March, 2022	-	-	3.48	-	23.67	4.44	0.11	31.69	
Balance as at 31st March, 2023	-	-	372.30	-	35.94	-	1.29	409.54	
<b>Balance as at 31 March, 2024</b>	<b>47.98</b>	<b>313.43</b>	<b>1,670.16</b>	-	<b>114.39</b>	<b>4.39</b>	<b>13.50</b>	<b>2,163.85</b>	

**Note:**

1. Refer Note No.13 and 16 for the details of Property, Plant and Equipment mortgaged as security for borrowings.
2. The Depreciation charge on tangible assets has been included under 'Depreciation and amortisation expense' in the Statement of Profit and Loss.

**2A(i) Details of Title Deeds of immovable Property not held in the name of the Company**

The Company does not have any Immovable Property whose title deeds are not held in the name of the Company.

(Rs. in Lakhs)

**2B**

Capital Work in Progress	Land	Buildings	Plant & Equipment	Total	Amount in CWIP for a Period of
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Capital Work in Progress	Land	Buildings	Machinery	Total	Less than 1 year	1-2 years	2-3 Years	More than 3 years	Total
<b>Balance as at 31st March, 2021</b>	<b>1.00</b>	-	-	<b>1.00</b>	<b>1.00</b>	-	-	-	<b>1.00</b>
Additions	66.94	-	-	66.94					
Deductions	-	-	-	-					
<b>Balance as at 31st March, 2022</b>	<b>67.94</b>	-	-	<b>67.94</b>	<b>66.94</b>	<b>1.00</b>	-	-	<b>67.94</b>
Additions	47.32	86.90	260.04	394.26					
Deductions	71.80	-	-	71.80					
<b>Balance as at 31st March, 2023</b>	<b>43.46</b>	<b>86.90</b>	<b>260.04</b>	<b>390.40</b>	<b>322.45</b>	<b>66.94</b>	<b>1.00</b>	-	<b>390.40</b>
Additions	-	234.27	239.87	474.15					
Deductions	-	-	-	-					
Adjustments during the period	4.52	-7.47	0.75	-2.20					
Capitalisation	47.98	313.71	500.66	862.34					
<b>Balance as at 31st March, 2024</b>	-	-	-	-	-	-	-	-	-

Note: No Project is temporarily suspended or has exceeded the budget.

Neetu Yoshi Limited (Previously known as Neetu Yoshi Private Limited)  
Annexure VII - Notes to Restated Consolidated Summary Statements

3 Other Financial Assets

(Rs. in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>(At Amortised Cost)</b>			
<b>(Unsecured, considered Good)</b>			
Term Deposits more than 12 Months maturity*	175.70	20.00	-
Security & Business Deposits	17.83	2.01	16.45
<b>Total</b>	<b>193.53</b>	<b>22.01</b>	<b>16.45</b>

\*Held as lien by bank

4 Other Non-Current Assets

(Rs. in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>(Unsecured, considered Good)</b>			
Capital Advances	31.00	-	-
<b>Total</b>	<b>31.00</b>	<b>-</b>	<b>-</b>

5 Inventories

(Rs. in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Raw Materials	46.95	-	-
Work-in-Progress	61.52	-	-
Finished Goods	245.11	55.43	99.83
<b>Total</b>	<b>353.58</b>	<b>55.43</b>	<b>99.83</b>

6 Loans

(Rs. in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>(Unsecured, considered Good)</b>			
Advance to related party	-	-	1.51
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1.51</b>

7 Trade Receivables

(Rs. in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>Unsecured:</b>			
Considered good	849.82	324.82	74.77
Considered doubtful	-	-	-
Receivables with Significant increase in credit risk	-	-	-
Credit Impaired	-	-	-
	<b>849.82</b>	<b>324.82</b>	<b>74.77</b>
Less: Allowance for Expected Credit Loss	(4.25)	(1.62)	(0.63)

**Neetu Yoshi Limited (Previously known as Neetu Yoshi Private Limited)**  
**Annexure VII - Notes to Restated Consolidated Summary Statements**

<b>Total</b>	<b>845.58</b>	<b>323.20</b>	<b>74.14</b>
Refer Note No. 39 for Ageing of Trade Receivables			
Refer Note No. 34 for Trade Receivables from Related Parties			

Neetu Yoshi Limited (Previously known as Neetu Yoshi Private Limited)  
Annexure VII - Notes to Restated Consolidated Summary Statements

8 Cash and Cash Equivalents

(Rs. in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>Cash and Cash Equivalents</b>			
Cash on hand	21.85	1.87	4.92
<b>Balances with Banks</b>			
In Current Accounts	177.87	96.08	0.30
In Cash Credit Accounts	-	-	-
In Term Deposits with Original maturity less than 3 months	-	-	-
<b>Total</b>	<b>199.72</b>	<b>97.95</b>	<b>5.22</b>

9 Other Financial Assets

(Rs. in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Interest Receivable on term deposit	7.28	-	-
Security & Business Deposits	-	-	-
Other Receivables	-	-	-
<b>Total</b>	<b>7.28</b>	<b>-</b>	<b>-</b>

10 Other Current Assets

(Rs. in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Balances with Government Authorities	-	64.61	10.81
Advances to Suppliers	12.86	100.00	0.35
Other Current Assets	42.13	-	0.26
<b>Total</b>	<b>54.99</b>	<b>164.61</b>	<b>11.41</b>

13 Borrowings (Non-Current)

(Rs. in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>Secured:</b>			
From Bank	955.80	195.18	-
From Others	40.01	50.47	-
Less: Current maturities of Long term Debt	-196.84	-18.98	-
<b>Unsecured:</b>			
From Bank	-	-	-
From Directors	6.00	45.30	195.80
From Others	47.42	287.68	-
Less: Current maturities of Long term Debt	-20.61	-57.62	-
<b>Total</b>	<b>831.78</b>	<b>502.02</b>	<b>195.80</b>

**Neetu Yoshi Limited (Previously known as Neetu Yoshi Private Limited)**  
**Annexure VII - Notes to Restated Consolidated Summary Statements**

**Note:**

**Details of Securities and Terms of repayment**

1) **Secured Car Loan** of Rs 96.47 Lakh payable monthly installments ranging between Rs 0.42 Lakhs and 1.60 Lakh, secured by Hypothecation of Car, and is collaterally secured by personal guarantee of the directors of the company.

2) **Unsecured Term Loans** amounting to Rs 47.42 Lakhs are payable in monthly installments ranging between Rs 0.66 Lakh and Rs 0.90 Lakh.

3) **Secured Loan** of Rs 299.91 Lakh for the purpose of acquisition on machinery payable in 54 monthly installments of Rs 5.90 Lakh, secured by hypothecation of all existing & future movable assets, and movable Property, Plant & Equipment. Furthermore, it is collaterally secured by lien mark of fixed deposits & personal guarantee of the directors of the company.

4) **Secured Loan** of Rs 81.62 Lakh for the purpose of acquisition on machinery payable in 54 monthly installments of Rs 1.51 Lakh, secured by hypothecation of all existing & future movable assets, and movable Property, Plant & Equipment. Furthermore, it is collaterally secured by lien mark of fixed deposits & personal guarantee of the directors of the company.

5) **Secured Loan** of Rs 200 Lakh for the purpose of acquisition on machinery payable in 96 monthly installments of Rs 3.05 Lakh, secured by hypothecation of all stocks, receivables (including future current assets). Furthermore, it is collaterally secured by charge on industrial plot & construction thereon.

6) **Secured Loan** of Rs 200 Lakh payable in 48 monthly installments of Rs 4.61 Lakh, secured by hypothecation of all existing & future movable assets, and movable Property, Plant & Equipment. Furthermore, it is collaterally secured by lien mark of fixed deposits & personal guarantee of the directors of the company.

7) **Secured Loan** of Rs 77.80 Lakh payable in 54 monthly installments of Rs 1.55 Lakh, secured by hypothecation of all existing & future movable assets, and movable Property, Plant & Equipment. Furthermore, it is collaterally secured by lien mark of fixed deposits & personal guarantee of the directors of the company.

8) **Secured Loan** of Rs 40.02 Lakh for machinery financing payable in 48 monthly installments of Rs 1.39 Lakh, secured by hypothecation of Asset financed.

**14 Provisions**

*(Rs. in Lakhs)*

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>Provision for Employee Benefits</b>			
Provision for Gratuity	2.27	-	-
Provision for Compensated Absences	-	-	-
<b>Total</b>	<b>2.27</b>	<b>-</b>	<b>-</b>

*Note: Refer note no 38 for detailed disclosures*

**15 Deferred Tax Liabilities (Net)**

*(Rs. in Lakhs)*

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>Deferred tax Liabilities / (Assets) in relation to:</b>			
Difference between written down value/capital work in progress of Property, Plant & Equipment as per the books of accounts and Income Tax Act, 1961	29.59	1.57	0.95
Provision for Expected Credit losses on Trade Receivables	(0.86)	(0.41)	(0.16)
Provision for Gratuity	(0.39)	-	-
<b>Total</b>	<b>28.34</b>	<b>1.16</b>	<b>0.79</b>

**Neetu Yoshi Limited (Previously known as Neetu Yoshi Private Limited)**  
**Annexure VII - Notes to Restated Consolidated Summary Statements**

**16 Borrowings (Current)**

*(Rs. in Lakhs)*

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Current maturities of Long-term borrowings	217.45	76.60	-
Secured			
-From Bank	689.71	246.75	-
<b>Total</b>	<b>907.16</b>	<b>323.36</b>	<b>-</b>

*Working Capital Borrowings are secured by hypothecation of all existing and future receivables, and current assets. The same are further secured by mortgage of immovable assets of the Company and personal guarantee of the directors.*

**17 Trade Payables**

*(Rs. in Lakhs)*

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
(a) Dues to MSME	-	-	-
(b) Dues to Other than MSME	-	41.99	14.92
<b>Total</b>	<b>-</b>	<b>41.99</b>	<b>14.92</b>

**Refer Note No. 34 for Trade Payables to Related Parties**

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company:

Under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED') which came into force from October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises ('MSME'). On the basis of the information and records available with the management, there are no outstanding dues to the Micro and Small enterprises as defined in the Micro, Small mid Medium Enterprises Development Act, 2006 except as set out in the following disclosures.

The disclosure in respect of the amount payable to enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 has been made in the financial statement as at 31.03.2024, 31.03.2023 and 31.03.2022 based on the information received and available with the Company.

*(Rs. in Lakhs)*

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
(a) Amount remaining unpaid to any supplier at the end of each accounting year:			
Principal	-	-	-
Interest	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-	-

**Neetu Yoshi Limited (Previously known as Neetu Yoshi Private Limited)**  
**Annexure VII - Notes to Restated Consolidated Summary Statements**

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(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.

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**Neetu Yoshi Limited (Previously known as Neetu Yoshi Private Limited)**  
**Annexure VII - Notes to Restated Consolidated Summary Statements**

Ageing schedule for MSME Creditors as at	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
MSME Disputed Dues	-	-	-
MSME Undisputed Dues	-	-	-
Not Due	-	-	-
Less than 1 year	-	-	-
1-2 Years	-	-	-
2-3 Years	-	-	-
More than 3 years	-	-	-
<b>Total</b>	-	-	-

Ageing schedule for other than MSME Creditors as at	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Disputed Dues	-	-	-
Others Undisputed Dues	-	-	-
Not due	-	-	-
Less than 1 year	-	38.41	14.92
1-2 Years	-	3.58	-
2-3 Years	-	-	-
More than 3 years	-	-	-
<b>Total</b>	-	<b>41.99</b>	<b>14.92</b>

**18 Other Financial Liabilities**

*(Rs. in Lakhs)*

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Payable to Employees*	15.02	-	-
Interest Payable	1.69	-	-
Payable towards other expenses	21.77	0.47	0.94
Statutory Liabilities	36.47	-	-
<b>Total</b>	<b>74.95</b>	<b>0.47</b>	<b>0.94</b>

\*Refer Note No. 34 for Payables to Related Parties

**19 Other Current Liabilities**

*(Rs. in Lakhs)*

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>Other Advances</b>			
Advance from Customers	-	23.10	21.78
<b>Total</b>	-	<b>23.10</b>	<b>21.78</b>

Advances from Customers are Contract Liability in accordance with Ind AS 115- Revenue from Contracts with Customers.

**20 Provisions**

*(Rs. in Lakhs)*

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Provision for Gratuity*	0.00	-	-
<b>Total</b>	<b>0.00</b>	-	-

\*Amounts are below the rounding off norms adopted by the company.

**21 Current Tax Liabilities (Net)**

*(Rs. in Lakhs)*



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**Annexure VII - Notes to Restated Consolidated Summary Statements**

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Provision for Income tax (Net of Advance Taxes)	25.63	13.58	2.71
<b>Total</b>	<b>25.63</b>	<b>13.58</b>	<b>2.71</b>

Neetu Yoshi Limited (Previously known as Neetu Yoshi Private Limited)  
Annexure VII - Notes to Restated Consolidated Summary Statements

11 Equity Share Capital

(Rs. in Lakhs)

Particulars	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>Authorised :</b>			
1,40,000 Equity Shares of Rs 10 each (Refer Note 46)	-	-	14.00
2,50,00,000 Equity Shares of Rs 10 each (Refer Note 46)	2,500.00	300.00	-
	<b>2,500.00</b>	<b>300.00</b>	<b>14.00</b>
<b>Issued, Subscribed and Paid up :</b>			
1,40,000 Equity Shares of Rs 10 Each Fully Paid up (Refer Note 46)	-	-	14.00
38,82,800 Equity Shares of Rs 10 Each Fully Paid up (Refer Note 46)	388.28	228.40	-
	<b>388.28</b>	<b>228.40</b>	<b>14.00</b>

a) Reconciliation of number of shares

Equity Shares	As at 31.03.2024		As at 31.03.2023		As at 31.03.2022	
	Number	(Rs.)	Number	(Rs.)	Number	(Rs.)
Shares outstanding at the beginning of the year	22,84,000	228.40	1,40,000	14.00	1,40,000	14.00
Shares Issued during the year	15,98,800	159.88	21,44,000	214.40	-	-
Shares bought back during the year	-	-	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>38,82,800</b>	<b>388.28</b>	<b>22,84,000</b>	<b>228.40</b>	<b>1,40,000</b>	<b>14.00</b>

b) Details of shareholders holding more than 5% of shares:

Name of Shareholders	As at 31.03.2024		As at 31.03.2023		As at 31.03.2022	
	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held
Equity Shares of Rs. 10 each held by:						
1 Himanshu Lohia	48.71%	18,91,200	50.00%	11,42,000	50.00%	70,000
2 Subodh Lohia	48.71%	18,91,200	50.00%	11,42,000	50.00%	70,000

As per the records of the Company, including its registers of Shareholders/Members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

c) Details of shareholding of promoters:

Name of Shareholders	As at 31.03.2024			As at 31.03.2023			As at 31.03.2022		
	% of Holding	No. of Shares held	% Change in Holding	% of Holding	No. of Shares held	% Change in Holding	% of Holding	No. of Shares held	% Change in Holding
Equity Shares of Rs. 10 each held by:									
1 Himanshu Lohia	48.71%	18,91,200	-1.29%	50.00%	11,42,000	-	50.00%	70,000	-
2 Subodh Lohia	48.71%	18,91,200	-1.29%	50.00%	11,42,000	-	50.00%	70,000	-
3 Saundarya Lohia	2.58%	1,00,000	2.58%	0.00%	-	-	0.00%	-	-

**d) Rights, preferences and restrictions :**

The Company has only one class of equity shares having a par value of Rs 10 Per Share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. the distribution will be in proportion to the no. of equity shares held by shareholder.

e) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current period/ year end.

f) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.

**12 Other Equity***(Rs. in Lakhs)*

	Reserves and Surplus			OCI	Total
	Share Application Money Pending Allotment	Share Premium	Retained Earnings	Remeasurement of net defined benefit plan	
<b>Balance as on 31.03.2021</b>	-	-	<b>8.10</b>	-	<b>8.10</b>
Profit for the year	-	-	7.03	-	7.03
Share Application Money Pending Allotment	240.30	-	-	-	240.30
<b>Total for the year</b>	<b>240.30</b>	-	<b>15.13</b>	-	<b>255.43</b>
Dividends paid	-	-	-	-	-
Reversal of Share Application Money Pending Allotment	-	-	-	-	-
<b>Balance as on 31.03.2022</b>	<b>240.30</b>	-	<b>15.13</b>	-	<b>255.43</b>
Profit for the year	-	-	42.32	-	42.32
Other Comprehensive Income	-	-	-	-	-
Share Premium	-	271.60	-	-	271.60
<b>Total for the year</b>	<b>240.30</b>	<b>271.60</b>	<b>57.46</b>	-	<b>569.36</b>
Dividends paid	-	-	-	-	-
Reversal of Share Application Money Pending Allotment	(240.30)	-	-	-	(240.30)
<b>Balance as on 31.03.2023</b>	-	<b>271.60</b>	<b>57.46</b>	-	<b>329.06</b>
Profit for the year	-	-	1,256.97	-	1,256.97
Other Comprehensive Income	-	-	-	-	-
<b>Total for the year</b>	-	<b>271.60</b>	<b>1,314.42</b>	-	<b>1,586.02</b>
Dividends paid	-	-	-	-	-
Issue of Shares	-	-	-	-	-
<b>Balance as on 31.03.2024</b>	-	<b>271.60</b>	<b>1,314.42</b>	-	<b>1,586.02</b>

Neetu Yoshi Limited (Previously known as Neetu Yoshi Private Limited)  
Annexure VII - Notes to Restated Consolidated Summary Statements

<b>22 Revenue from Operations</b>				<i>(Rs. in Lakhs)</i>
Particulars	Year 2023-24	Year 2022-23	Year 2021-22	
<b>(i) Revenue from Contracts with Customers recognised at a point in time</b>				
Sales of goods	4,733.42	1,623.07	458.85	
<b>Total</b>	<b>4,733.42</b>	<b>1,623.07</b>	<b>458.85</b>	
<b>23 Other Income</b>				<i>(Rs. in Lakhs)</i>
Particulars	Year 2023-24	Year 2022-23	Year 2021-22	
Liabilities no longer required written back	-	2.92	0.02	
<b>Interest Income from financial assets at amortised cost</b>				
Interest Income	8.06	-	-	
Other Miscellaneous Income	3.88	6.84	4.11	
<b>Total</b>	<b>11.94</b>	<b>9.76</b>	<b>4.13</b>	
<b>24 Cost of Materials Consumed</b>				<i>(Rs. in Lakhs)</i>
Particulars	Year 2023-24	Year 2022-23	Year 2021-22	
Opening Stock	-	-	-	
Add : Purchases	2,719.75	22.43	-	
Less: Closing stock	(46.95)	-	-	
<b>TOTAL</b>	<b>2,672.80</b>	<b>22.43</b>	<b>-</b>	
<b>25 Purchase of Traded Goods</b>				<i>(Rs. in Lakhs)</i>
Particulars	Year 2023-24	Year 2022-23	Year 2021-22	
Purchase of Traded Goods	5.55	1,229.05	500.77	
<b>TOTAL</b>	<b>5.55</b>	<b>1,229.05</b>	<b>500.77</b>	
<b>26 Changes in inventories of finished goods and work-in-progress</b>				<i>(Rs. in Lakhs)</i>
Particulars	Year 2023-24	Year 2022-23	Year 2021-22	
<b>Inventories at the beginning of the year</b>				
Finished Goods	55.43	99.83	1.63	
Work in Progress	-	-	-	

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**Annexure VII - Notes to Restated Consolidated Summary Statements**

	<b>(a)</b>	<b>55.43</b>	<b>99.83</b>	<b>1.63</b>
<b>Inventories at the end of the year</b>				
Finished goods		245.11	55.43	99.83
Work in Progress		61.52	-	-
	<b>(b)</b>	<b>306.63</b>	<b>55.43</b>	<b>99.83</b>
<b>Net (Increase)/Decrease in Inventories</b>	<b>(a) - (b)</b>	<b>(251.20)</b>	<b>44.40</b>	<b>(98.20)</b>

Neetu Yoshi Limited (Previously known as Neetu Yoshi Private Limited)  
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**27 Employee Benefits Expense**

(Rs. in Lakhs)

Particulars	Year 2023-24	Year 2022-23	Year 2021-22
Salaries, wages and benefits	161.80	56.92	11.94
Contribution to provident and other funds	5.87	-	-
Staff welfare expenses	-	0.19	-
<b>Total</b>	<b>167.67</b>	<b>57.11</b>	<b>11.94</b>

Refer Note No. 38 on Gratuity and Leave Encashment benefits

**28 Finance Costs**

(Rs. in Lakhs)

Particulars	Year 2023-24	Year 2022-23	Year 2021-22
<b>Interest Expense towards:</b>			
- Working Capital Borrowings	17.00	3.92	-
- Term Loans from Banks	85.06	19.94	-
- Other Interest	0.82	-	-
Other Borrowing Costs	17.35	6.85	-
<b>Total</b>	<b>120.23</b>	<b>30.71</b>	<b>-</b>

**2 Depreciation and Amortisation Expense**

(Rs. in Lakhs)

Particulars	Year 2023-24	Year 2022-23	Year 2021-22
Depreciation on Property, Plant and Equipment	79.81	33.57	4.62
<b>Total</b>	<b>79.81</b>	<b>33.57</b>	<b>4.62</b>

**29 Other Expenses**

(Rs. in Lakhs)

Particulars	Year 2023-24	Year 2022-23	Year 2021-22
Consumption of Stores, Spares and Consumables	4.73	1.26	-
Power and Fuel	171.10	25.13	11.99
Repairs & Maintenance:			
- Machinery	23.86	10.85	-
Legal and Professional Expenses	4.81	4.02	-
Payment to auditors	3.00	0.80	0.40
Travelling & Conveyance	45.14	29.51	13.16
Rent Expenses	2.81	7.71	0.96
Job Work Charges	5.95	15.87	-
Freight and Handling Charges	146.89	42.82	0.06

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**Annexure VII - Notes to Restated Consolidated Summary Statements**

Pollution Control Expenses	0.75	-	-
Bank Charges	5.34	0.54	(0.00)
Insurance	4.81	2.26	1.27
Provision for Expected Credit Loss	2.63	1.00	-
Miscellaneous Expenses	10.17	17.51	3.15
<b>Total</b>	<b>431.98</b>	<b>159.28</b>	<b>30.99</b>

**Neetu Yoshi Limited (Previously known as Neetu Yoshi Private Limited)**  
**Annexure VII - Notes to Restated Consolidated Summary Statements**

**34 Related party disclosures as per Ind AS 24**

**1 Related parties with whom transactions have taken place during the year and its relationship:**

<b>Name of the related parties</b>	<b>Designation / Relationship</b>
Himanshu Lohia	Director
Subodh Lohia	Director
Neetus Delight Private Limited	Subsidiary Company
Neetu Lohia Foundation	Director as Trustee
Saundarya Lohia	Directors' Relative

**2 Transactions during the year**

(Rs. in Lakhs)

	<b>Year 2023-24</b>	<b>Year 2022-23</b>	<b>Year 2021-22</b>
<b>Remuneration</b>			
Himanshu Lohia	24.00	12.00	3.60
Subodh Lohia	24.00	12.00	3.60
<b>Share issued during the year</b>			
Himanshu Lohia	24.00	12.00	3.60
Subodh Lohia	24.00	12.00	3.60
<b>Loan Given</b>			
Neetu Lohia Foundation	3.60	0.05	0.62
<b>Loan Repayment Received</b>			
Neetu Lohia Foundation	3.60	0.67	-
<b>Loan Taken</b>			
Himanshu Lohia	169.49	284.96	210.54
Subodh Lohia	240.20	283.35	96.41
Saundarya Lohia	-	3.02	-
<b>Loan Repayment Paid</b>			
Himanshu Lohia	176.06	274.00	324.09
Subodh Lohia	272.93	249.02	179.55
Saundarya Lohia	-	3.02	-
<b>TOTAL</b>	<b>961.88</b>	<b>1,146.09</b>	<b>825.61</b>

**3 Outstanding balances as at the year end**

	<b>As at 31.03.2024</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>
<b>Unsecured Loans From</b>			
Himanshu Lohia	4.40	10.96	-
Subodh Lohia	1.60	34.33	-
Saundarya Lohia	-	-	-
<b>Advance to related party</b>			
Subodh Lohia	-	-	0.90
Neetu Lohia Foundation	-	-	0.62

**4 Terms and conditions of transactions with related parties**

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. There have been no guarantees provided or received for any related party receivables or payables. No balances in respect of the related parties has been provided for written off / written back, except what is stated above.



Related party relationship is as identified by the management and relied upon by the auditors.

Neetu Yoshi Limited (Previously known as Neetu Yoshi Private Limited)  
Annexure VII - Notes to Restated Consolidated Summary Statements

30 Income Taxes

(Rs. in Lakhs)

Particulars	Year 2023-24	Year 2022-23	Year 2021-22
<b>(i) Tax expense recognised in the statement of profit and loss</b>			
Income tax expense recognised in the statement of profit and loss	233.12	13.58	3.60
Deferred Tax charge/ (credit) P&L	-	-	0.79
<b>Total Current Tax Expense</b>	<b>233.12</b>	<b>13.58</b>	<b>4.38</b>
Deferred Tax charge/ (credit) P&L	27.18	0.37	1.45
<b>Total Deferred Tax Expense</b>	<b>27.18</b>	<b>0.37</b>	<b>1.45</b>
<b>Income tax expense recognised in the statement of profit and loss</b>	<b>260.29</b>	<b>13.95</b>	<b>5.84</b>
<b>(ii) Tax expense recognised in OCI</b>			
<b>Deferred Tax:</b>			
Deferred Tax Expense on Remeasurement of defined benefit plans through OCI	-	-	-
<b>Income tax expense recognised in the statement of profit and loss</b>	<b>-</b>	<b>-</b>	<b>-</b>

(Rs. in Lakhs)

Particulars	Year 2023-24	Year 2022-23	Year 2021-22
<b>(b) Reconciliation of tax expense and the accounting profit multiplied by India's</b>			
Enacted income tax rate in India applicable to the Company (in %)	17.16%	26.00%	26.00%
Profit/ (Loss) before income tax expense	1,518.52	56.27	12.87
<b>Current tax expense on Profit/ (loss) before tax expenses at enacted income</b>	<b>260.58</b>	<b>14.63</b>	<b>3.35</b>
<b>Tax effects of :</b>			
Tax effect on non-deductible expenses	-	-	-
Effect of Income which is taxed at special rates	-	-	-
Others	(1.48)	(0.68)	1.70
<b>Total</b>	<b>259.10</b>	<b>13.95</b>	<b>5.05</b>
<b>Short Provision for Tax for earlier years</b>	<b>-</b>	<b>-</b>	<b>0.79</b>
<b>Tax expense as per Statement of Profit and Loss</b>	<b>259.10</b>	<b>13.95</b>	<b>5.84</b>
Consequent to reconciliation items shown above, the effective tax rate is	<b>17.06%</b>	<b>24.79%</b>	<b>45.36%</b>

The major components of deferred tax (liabilities)/assets arising on account of timing differences are as follows:

As at 31.03.2024

(Rs. in Lakhs)

Particulars	Balance sheet 01.04.2023	Profit and Loss for the year	OCI for the year	Balance Sheet 31.03.2024
<b>Deferred tax Liabilities / (Assets) in relation to:</b>				
Difference between written down value/capital work in progress of Property, Plant & Equipment as per the books of accounts and Income Tax Act, 1961	1.57	28.02	-	29.59
Provision for Expected Credit losses on Trade Receivables	(0.41)	(0.45)	-	(0.86)
Provision for Gratuity	-	(0.39)	-	(0.39)
<b>Total</b>	<b>1.16</b>	<b>27.18</b>	<b>-</b>	<b>28.34</b>

As at 31.03.2023

(Rs. in Lakhs)

Particulars	Balance sheet 01.04.2022	Profit and Loss for the year	OCI for the year	Balance Sheet 31.03.2023
<b>Deferred tax Liabilities / (Assets) in relation to:</b>				
Difference between written down value/capital work in progress of Property, Plant & Equipment as per the books of accounts and Income Tax Act, 1961	0.95	0.62	-	1.57
Provision for Expected Credit losses on Trade Receivables	(0.16)	(0.25)	-	(0.41)
Provision for Gratuity	-	-	-	-
<b>Total</b>	<b>0.79</b>	<b>0.37</b>	<b>-</b>	<b>1.16</b>

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**Annexure VII - Notes to Restated Consolidated Summary Statements**

As at 31.03.2022

(Rs. in Lakhs)

Particulars	Balance sheet 01.04.2021	Profit and Loss for the year	OCI for the year	Balance Sheet 31.03.2022
<b>Deferred tax Liabilities / (Assets) in relation to:</b>				
Difference between written down value/capital work in progress of Property, Plant & Equipment as per the books of accounts and Income Tax Act, 1961	(0.50)	1.45	-	0.95
Provision for Expected Credit losses on Trade Receivables	(0.16)	-	-	(0.16)
Provision for Gratuity	-	-	-	-
<b>Total</b>	<b>(0.66)</b>	<b>1.45</b>	<b>-</b>	<b>0.79</b>

**31 Group Information**

The Group's details as at 31st March 2024 is set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of the entity	% of equity interest		
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Neetus Delight Private Limited	60.00%	0.00%	0.00%
Principal Activities: Manufacturing of food products & beverages.			
Country of Incorporation: India			

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**32 Contingent Liabilities**

*(Rs. in Lakhs)*

	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Disputed Tax Demands	-	-	-
Claims against the Company not acknowledged as debts	-	-	-
<b>Total</b>	-	-	-

**33 Capital and other Commitments**

*(Rs. in Lakhs)*

	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Capital Commitments	-	-	-
Other Material Commitments	-	-	-
<b>Total</b>	-	-	-

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**36 Earnings per share (EPS)**

	Year 2023-24	Year 2022-23	Year 2021-22
A Profit attributable to equity share holders of the Company for basic and diluted earnings per share (Rs. In Lakhs)	1,256.97	42.32	7.03
B Weighted average number of equity shares considered after bonus and split of shares into Rs. 5 each (Refer note 46)	1,69,97,079	15,17,447	9,80,000
C Nominal Value of Equity Share (Refer Note 46)	5.00	5.00	5.00
<b>Basic earnings per share</b>	<b>7.40</b>	<b>2.79</b>	<b>0.72</b>
<b>Diluted earnings per share</b>	<b>7.40</b>	<b>2.79</b>	<b>0.72</b>

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**35 Segment Reporting**

The Company is mainly engaged in the business of metal fabrication and casting of Bogie Components, Locomotive Components & Railway track Components, etc.. These, in the context of Ind - AS 108 is considered as one single reportable segment. Accordingly, disclosures under Ind AS 108, Operating Segments are not required to be made.

Thus the segment revenue, interest revenue, interest expense, depreciation and amortisation, segment assets and segment liabilities are all in respect of aforesaid Business.

**Geographical Information**

*(Rs. in Lakhs)*

a. Revenue from external customers	Year 2023-24	Year 2022-23	Year 2021-22
attributed to the Company's country of domicile, India	4,733.42	1,623.07	458.85
attributed to all foreign countries	-	-	-
<b>Total</b>			

*(Rs. in Lakhs)*

b. Revenues from transactions with a customers exceeding 10% of the Company's sales	Year 2023-24	Year 2022-23	Year 2021-22
Revenues from transactions with major customers exceeding 10% of the Company's sales from each such customer	3,214.61	1,191.92	397.67
<b>Total</b>	<b>3,214.61</b>	<b>1,191.92</b>	<b>397.67</b>

*(Rs. in Lakhs)*

c. Non-current assets (excluding Deferred/ Current Tax and Financial Assets)	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
located in the Company's country of domicile, India	2,163.85	799.94	99.63
located in all foreign countries	-	-	-
<b>Total</b>	<b>2,163.85</b>	<b>799.94</b>	<b>99.63</b>

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**37 Financial instruments**

The details of Material accounting policies, including criteria for recognition, the basis of measurement and the basis on which income and expenditure are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1.

**A Calculation of fair values**

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values of financial instruments:

- i The fair value of the long-term borrowings carrying floating-rate of interest is not impacted due to interest rate changes and will not be significantly different from their carrying amounts as there is no significant change in the under-lying credit risk of the Company (since the date of inception of the loans).
- ii Cash and cash equivalents, trade receivables, investments in term deposits, other financial assets, trade payables, and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

**Financial Assets and Liabilities**

The accounting classification of each category of financial instruments, and their carrying amounts are set out as below:

**a. Financial Assets**

	Instruments carried at fair value			(Rs. in Lakhs)
	FVOCI (Other instruments)	FVTPL	Instruments carried at amortised cost*	Total Carrying Value
<b>As at 31.03.2022</b>				
(i) Investments	-	-	-	-
(ii) Other financial assets	-	-	16.45	<b>16.45</b>
(iii) Trade receivables	-	-	74.14	<b>74.14</b>
(iv) Cash and cash equivalents	-	-	5.22	<b>5.22</b>
(v) Other Balances with Banks	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>95.81</b>	<b>95.81</b>
<b>As at 31.03.2023</b>				
(i) Investments	-	-	-	-
(ii) Other financial assets	-	-	22.01	<b>22.01</b>
(iii) Trade receivables	-	-	323.20	<b>323.20</b>
(iv) Cash and cash equivalents	-	-	97.95	<b>97.95</b>
(v) Other Balances with Banks	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>443.16</b>	<b>443.16</b>
<b>As at 31.03.2024</b>				
(i) Investments	-	-	-	-
(ii) Other financial assets	-	-	200.81	<b>200.81</b>
(iii) Trade receivables	-	-	845.58	<b>845.58</b>
(iv) Cash and cash equivalents	-	-	199.72	<b>199.72</b>

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(v) Other Balances with Banks	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,246.11</b>	<b>1,246.11</b>

**b. Financial Liabilities**

*(Rs. in Lakhs)*



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		Fair value through profit & loss	At amortised cost*	Total carrying amount
<b>As at 31.03.2022</b>				
(i) Borrowings		-	-	-
(ii) Lease Liability		-	-	-
(iii) Trade Payables		-	14.92	14.92
<b>Total</b>		<b>-</b>	<b>14.92</b>	<b>14.92</b>
<b>As at 31.03.2023</b>				
(i) Borrowings		-	825.38	825.38
(ii) Lease Liability		-	-	-
(iii) Trade Payables		-	14.92	14.92
<b>Total</b>		<b>-</b>	<b>840.30</b>	<b>840.30</b>
<b>As at 31.03.2024</b>				
(i) Borrowings		-	1,738.94	1,738.94
(ii) Lease Liability		-	-	-
(iii) Trade Payables		-	-	-
<b>Total</b>		<b>-</b>	<b>1,738.94</b>	<b>1,738.94</b>

**c. Fair value hierarchy**

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The categories used are as follows:

- Level 1: It includes financial instruments measured using quoted prices and the mutual funds are measured using the closing Net Asset Value (NAV).
- Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There were no transfer between Level 1 and Level 2 in the periods.

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**38 Assets and liabilities relating to Employee Benefits**

See accounting policy in Note 1(n)

For details about the related employee benefit expenses, see Note 27

**A. Defined Contribution Plan:**

The Company's defined contribution plans are superannuation, employees state insurance scheme and provident fund administered by Government since the Company has no further obligation beyond making the contributions.

The expenses recognised during the year towards defined contribution plans are as detailed below:

Particulars	<i>(Rs. in Lakhs)</i>	
	Year 2023-24	Year 2022-23
Provident Fund and other Funds	5.87	-
<b>Total included in Note 32 - 'Contribution to provident and other funds'</b>	<b>5.87</b>	<b>-</b>

**B. Defined Benefit Obligation:**

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972/ Company policy. Employees who are in continuous service for a period of 5 years or more are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employee's last drawn salary per month computed proportionately as per the Payment of Gratuity Act, 1972/ Company policy multiplied for the number of years of service.

The results of the actuarial study for the obligation for employee benefits as computed by the actuary are shown below:

Actuarial study analysis	Gratuity			Leave		
	Year 2023-24	Year 2022-23	Year 2021-22	Year 2023-24	Year 2022-23	Year 2021-22
<b>Principal actuarial assumptions</b>						
Discount rate	7.20%	NA	NA	NA	NA	NA
Range of compensation increase	7.00%	NA	NA	NA	NA	NA
Withdrawal Rate:						
- Younger ages	10.00%	NA	NA	NA	NA	NA
- Older ages	2.00%	NA	NA	NA	NA	NA

Actuarial study analysis	Gratuity			Leave		
	Year 2023-24	Year 2022-23	Year 2021-22	Year 2023-24	Year 2022-23	Year 2021-22
<b>Components of income statement charge</b>						

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Current service cost	2.27	-	-			
Interest cost	-	-	-			
Recognition of past service cost	-	-	-			
Immediate recognition of (gain)/losses	-	-	-			
Settlement/curtailment/termination loss	-	-	-			
<b>Total charged to statement of profit or loss</b>	<b>2.27</b>	-	-	-	-	-
<b>Movements in net liability/(asset)</b>						
Net liability at the beginning of the year	-					
Employer contributions	-					
Total expense recognised in the statement of profit or loss	2.27	-	-	-	-	-
Total expense recognised in the Retained Earnings	-	-	-	-	-	-
Total amount recognised in OCI	-	-	-	-	-	-
<b>Net liability at the end of the year</b>	<b>2.27</b>	-	-	-	-	-

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**Reconciliation of benefit obligations**

Obligation at start of the year	-	-	-	-	-	-
Current service cost	2.27	-	-	-	-	-
Interest cost	-	-	-	-	-	-
Benefits paid directly by the Group	-	-	-	-	-	-
Extra payments or expenses/(income)	-	-	-	-	-	-
Obligation of past service cost	-	-	-	-	-	-
Actuarial loss	-	-	-	-	-	-
<b>Defined benefits obligations at the end of the year</b>	<b>2.27</b>	-	-	-	-	-
<b>Re-measurements of defined benefit plans</b>						
Actuarial gain/(loss) due to changes in demographic assumptions	-	-	-	-	-	-
Actuarial gain/(loss) due to changes in financial assumptions	-	-	-	-	-	-
Actuarial gain/(loss) on account of experience adjustments	-	-	-	-	-	-
<b>Total actuarial gain/(loss) recognised in OCI</b>	-	-	-	-	-	-
<b>Total actuarial gain/(loss) recognised in Statement of profit or loss</b>	-	-	-	-	-	-

**Sensitivity analysis of significant assumptions**

- C. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below. Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

(Rs. in Lakhs)

Sensitivity of DBO, Service Cost, and P&L Account	Gratuity			
	Year 2023-24		Year 2021-22	
	% increase in DBO	Liability	% increase in DBO	Liability
<b>Discount rate</b>				
+ 0.5% discount rate	(6.91%)	2.11	0.00%	-
- 0.5% discount rate	7.65%	2.44	0.00%	-
<b>Salary increase</b>				
+ 0.5% salary growth	6.98%	2.43	0.00%	-
+ 0.5% salary growth	(6.46%)	2.12	0.00%	-
<b>Withdrawal rate</b>				

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+ 0.5% salary growth	(2.65%)	2.21	0.00%	-
- 0.5% salary growth	2.65%	2.33	0.00%	-

Sensitivity of DBO, Service Cost, and P&L Account	<i>(Rs. in Lakhs)</i>		
	Year 2023-24	Year 2022-23	Year 2021-22
<b>Leave</b>			
<b>Discount rate</b>			
+ 0.5% discount rate	-	-	-
- 0.5% discount rate	-	-	-
<b>Salary increase</b>			
+ 0.5% salary growth	-	-	-
+ 0.5% salary growth	-	-	-
<b>Withdrawal rate</b>			
+ 1.1 % salary growth	-	-	-
- 1.1 % salary growth	-	-	-

**Note:**

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

The estimates of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors as supply and demand in the employment market.

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**Maturity Profile of Defined Benefit Obligation**

	Year 2023-24	Gratuity Year 2022-23	Year 2021-22	Year 2023-24	Leave Year 2022-23	Year 2021-22
1st Year	0.00	-	-	-	-	-
2nd Year	0.00	-	-	-	-	-
3rd Year	0.00	-	-	-	-	-
4th Year	0.01	-	-	-	-	-
5th Year	0.32	-	-	-	-	-
thereafter	0.97	-	-	-	-	-
	<b>1.31</b>	-	-	-	-	-

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**39 Financial risk management**

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board has taken all necessary actions to mitigate the risks identified basis the information and situation present.

The Company has exposure to the following risks arising

- a. Credit risk;
- b. Liquidity risk;
- c. Market risk; and
- d. Interest rate risk

**(A) Credit risk**

Credit risk arises from the possibility that the value of receivables or other financial assets of the Company may be impaired because counterparties cannot meet their payment or other performance obligations.

To manage credit risks from trade receivables other than Related Party, the credit managers from Order to Cash department of the Company regularly analyse customer's receivables, overdue and payment behaviours. Some of these receivables are collateralised and the same is used according to conditions. These could include advance payments, security deposits, post-dated cheques etc. Credit limits for this trade receivables are evaluated and set in line with Company's internal guidelines. There is no significant concentration of default risk.

Credit risks from financial transactions are managed independently by Finance department. For banks and financial institutions, the Company has policies and operating guidelines in place to ensure that financial instrument transactions are only entered into with high quality banks and financial institutions. The Company had no other financial instrument that represents a significant concentration of credit risk.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through out each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business,
- ii) Actual or expected significant changes in the operating results of the counterparty,
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- iv) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery. Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in statement of profit & loss.

Credit risk is managed at Company level.

For other financial assets, the Company assesses and manages credit risk based on internal control and credit management system. The finance function consists of a separate team who assess and maintain an internal credit management system. Internal credit control and management is performed on a Company basis for each class of financial instruments with different characteristics.

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The Company considers whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. It considers available reasonable and supportive forward-looking information.

Macroeconomic information (such as regulatory changes, market interest rate or growth rates) are also considered as part of the internal credit management system.

A default on a financial asset is when the counterparty fails to make payments as per contract. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

**Ageing of account receivables at Gross Level: Trade receivables**

**As on 31.03.2024**

*(Rs. in Lakhs)*

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 Months to 1 Year	1-2 Year	2-3 Year	More than 3 Years	
Undisputed Trade Receivables - Considered good	-	845.11	4.71	-	-	-	849.82
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Disputed trade receivables - Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
	-	<b>845.11</b>	<b>4.71</b>	-	-	-	<b>849.82</b>
Less: Allowance for Expected Credit Loss							(4.25)
<b>Total</b>							<b>845.58</b>

**As on 31.03.2023**

*(Rs. in Lakhs)*

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 Months to 1 Year	1-2 Year	2-3 Year	More than 3 Years	
Undisputed Trade Receivables - Considered good	-	323	2	-	-	-	324.82
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Disputed trade receivables - Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
	-	<b>323.04</b>	<b>1.78</b>	-	-	-	<b>324.82</b>
Less: Allowance for Expected Credit Loss							(1.62)
<b>Total</b>							<b>323.20</b>

**As on 31.03.2022**

*(Rs. in Lakhs)*

Outstanding for following periods from due date of payment



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Particulars	Not Due	Less than 6 months	6 Months to 1 Year	1-2 Year	2-3 Year	More than 3 Years	Total
Undisputed Trade Receivables - Considered good		52.06	0.11				52.17
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Disputed trade receivables - Considered good	-	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
	-	52.06	0.11	-	-	-	52.17
Less: Allowance for Expected Credit Loss							(0.63)
<b>Total</b>	-	52.06	0.11	-	-	-	51.54

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The Company maintains exposure in cash and cash equivalents, deposits with banks, investments, and other financial assets. Individual risk limits are set for each counter-party based on financial position, credit rating and past experience. Credit limits and concentration of exposures are actively monitored by the Management of the Company. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company believes that the current value of trade receivables reflects the fair value/ recoverable values.

**(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 have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Due to the dynamic nature of underlying businesses, the Company maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecast of Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

**(i) Maturities of financial liabilities**

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for:

all non-derivative financial liabilities, and the amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Maturity analysis of significant financial liabilities

(Rs. in Lakhs)

Particulars	As at 31.03.2024			As at 31.03.2023			As at 31.03.2022		
	Carrying amount	Upto 1 year	More than 1 year	Carrying amount	Upto 1 year	More than 1 year	Carrying amount	Upto 1 year	More than 1 year
<b>Non-derivative financial liabilities</b>									
Term Loans	955.80	-196.84	1,152.64	195.18	-18.98	214.16	-	-	-
Short Term Borrowings	689.71	689.71	-	246.75	246.75	-	-	-	-
Trade and Other Payables	-	-	-	41.99	38.41	3.58	14.92	14.92	-
Other Financial Liabilities	74.95	74.95	-	-	-	-	0.47	0.47	-

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Other Current Liabilities	-	-	-	23.10	23.10	-	21.78	21.78	-
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**(C) Market risk**

Market risk is the risk that changes in market prices - such as foreign exchange rates, interest rates and equity prices - will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

The Company is exposed to market risk primarily related to foreign exchange rate risk (currency risk), interest rate risk and market value of its investments. Thus the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

**(i) Foreign Currency Risk**

Foreign currency opportunities and risks for the Company result from changes in exchange rates and the related changes in the value of financial instruments (including receivables and payables) in the functional currency (INR). The Company is exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to US Dollar(USD).

The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks.

**Exposure to currency risk**

The currency profile of financial assets and financial liabilities are as below:

	As at 31.03.2024			As at 31.03.2023			As at 31.03.2022		
	INR	EURO* (in Rupees)	USD* (in Rupees)	INR	EURO* (in Rupees)	USD* (in Rupees)	INR	EURO* (in Rupees)	USD* (in Rupees)
<b>Financial Assets</b>									
Trade Receivables	849.82	-	-	324.82	-	-	74.77	-	-
<b>Total</b>	<b>849.82</b>	<b>-</b>	<b>-</b>	<b>324.82</b>	<b>-</b>	<b>-</b>	<b>74.77</b>	<b>-</b>	<b>-</b>
<b>Financial Liabilities</b>									
Trade payables	-	-	-	41.99	-	-	14.92	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41.99</b>	<b>-</b>	<b>-</b>	<b>14.92</b>	<b>-</b>	<b>-</b>

\* Exposure of the Company in respect of the above mentioned Financial Asset and Financial Liabilities in Foreign Currency is unhedged.

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**Sensitivity analysis**

The following table details the Company's sensitivity to a 25 basis points increase and decrease in the Rupee against the relevant foreign currencies is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. This is mainly attributable to the net exposure outstanding on receivables or payables in the Company at the end of the reporting period. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 0.25% change in foreign currency rate. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets or recognised directly in reserves, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

	As at 31.03.2024		As at 31.03.2023		As at 31.03.2022	
	0.25% increase	0.25% decrease	0.25% increase	0.25% decrease	0.25% increase	0.25% decrease
USD	-	-	-	-	-	-
EURO	-	-	-	-	-	-

**(D) Cash flow and fair value interest rate risk**

**- Interest rate risk management:**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates. The Company's exposure to the risk of changes in market rates relates primarily to the Company's short-term and long-term debt obligations with floating interest rates.

The Company is also exposed to interest rate risk on its financial assets which is long term fixed interest bearing deposits, the Company believes it has manageable risk and achieving satisfactory returns. The Company believes it has in place an effective system to manage risk and maximise return.

**- Interest rate risk exposure:**

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

Particulars	(Rs. in Lakhs)		
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
<b>Fixed Rate Instruments:</b>			
Financial Liabilities	-	-	-
Financial Assets	175.70	20.00	-
<b>Variable Rate Instruments:</b>			
Financial Liabilities	1,692.93	729.61	-
Financial Assets	-	-	-

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**- Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on the 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	Increase/decrease in basis points	Year 2023-24	Year 2022-23	Year 2021-22
Interest rate fluctuation	+100	-16.93	-7.30	-
Interest rate fluctuation	-100	16.93	7.30	-

**- Price Risk**

The Company's exposure to price risk arises from investment in mutual funds and classified in the balance sheet as fair value through profit and loss. Mutual fund investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However, due to very short tenor of the underlying portfolio in the liquid schemes, these do not pose any significant price risk.

**40 Capital management**

**(a) Risk management**

The Company's objectives when managing capital are to:

1. safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
2. Maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, reduce debt or sell assets.

The gearing ratios were as follows:

	<i>(Rs. in Lakhs)</i>		
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2022
Net debt ( Total Debt - Cash & cash equivalent - Other Bank Balances - Current Investment)	1,738.94	825.38	195.80
Total equity	1,979.39	557.46	269.43
<b>Net debt to equity ratio</b>	<b>0.88</b>	<b>1.48</b>	<b>0.73</b>

**41 First-time adoption of Ind AS**

The Company has prepared financial statements for the year ended 31.03.2024, in accordance with Ind AS for the first time. For the periods upto and including the year ended 31.03.23 and 31.03.2022, the Company prepared its financial statements in accordance with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP). Accordingly, the Company has prepared its financial statements to comply with Ind AS for the year ended 31.03.2024, together with comparative information as at and for the year ended 31.03.2023, as described in the summary of Material accounting policies. In preparing these financial statements, the Company's opening Balance Sheet was prepared as at 01.04.2022 i.e. the transition date to Ind AS for the Company. This note explains the principal adjustments made by the Company in restating its Previous GAAP financial statements, including the Balance Sheet as at 01.04.2022, and the financial statements as at and for the year ended 31.03.2023.

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

**A. Optional Exemptions**

**(i) Deemed Cost**

The Company has elected to continue with the carrying value of all of its property, plant and equipment, investment property and intangible assets recognised as of 01.04.2022 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

**(ii) Leases**

Ind AS 116 requires an entity to assess whether a contract or arrangement contains a lease. According to Ind AS 116, this assessment should be carried out at the inception of the contract or arrangement. However the Company has used Ind AS 101 exemption and assessed all arrangements based on conditions in place as the date of transition.

**B. Applicable Mandatory Exceptions**

**(i) Estimates:**

On assessment of the estimates made under the previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

**(ii) Derecognition of financial assets and financial liabilities**

Derecognition of financial assets and liabilities as required by Ind AS 109 is applied prospectively i.e. after the transition date.

**(iii) Classification and Measurement of Financial Assets:**

The Company has classified the financial assets in accordance with Ind AS 109 on the basis of facts and circumstances that exist at the date of transition to Ind AS.

**(iv) Impairment of financial assets**

The Company has applied exception related to impairment of financial assets given in Ind AS 101. It has used reasonable and supportable information that is available without under cost or effort to determine the credit risk at the date that financial assets were initially recognised and compared that to the credit risk at 01.04.2022.

**C. Transition to Ind AS - Reconciliations**

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101:

**I** Reconciliation of Balance sheet as at 01.04.2021

**II** A. Reconciliation of Balance sheet as at 31.03.2022

B. Reconciliation of Balance sheet as at 31.03.2023

(i). Reconciliation of Statement of total Comprehensive Income for the year ended 31.03.2023

(ii). Reconciliation of Statement of total Comprehensive Income for the year ended 31.03.2022

**III** A. Reconciliation of Equity as at 31.03.2023, 31.03.2022 and 01.04.2021

B. Reconciliation of Total Comprehensive Income

**IV** Adjustments to Statement of Cash Flows

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The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.

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<b>I. Reconciliation of Balance sheet as at 01.04.2021</b>				<i>(Rs. in Lakhs)</i>	
Particulars	Regrouped	Prior Period	Ind AS	Ind AS	Ind AS
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Property, Plant and Equipment	32.78	-	-	-	32.78
Intangible Assets	-	-	-	-	-
Capital work-in-progress	1.00	-	-	-	1.00
<b>Financial Assets</b>					
Other Financial Assets	15.00	-	-	-	15.00
Deferred Tax Assets (Net)	0.50	-	0.16	-	0.66
<b>Total Non Current Assets</b>	<b>49.28</b>	<b>-</b>	<b>0.16</b>	<b>-</b>	<b>49.44</b>
<b>Current Assets</b>					
Inventories	1.63	-	-	-	1.63
<b>Financial Assets</b>					
Loans	53.00	-	-	-	53.00
Trade Receivables	125.33	-	-0.63	-	124.70
Cash and Cash Equivalents	0.42	-	-	-	0.42
Other Financial Assets	-	-	-	-	-
Other Current Assets	0.16	-	-	-	0.16
<b>Total Current Assets</b>	<b>180.54</b>	<b>-</b>	<b>-0.63</b>	<b>-</b>	<b>179.91</b>
<b>Total Assets</b>	<b>229.82</b>	<b>-</b>	<b>-0.47</b>	<b>-</b>	<b>229.35</b>
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
Equity Share Capital	14.00	-	-	-	14.00
Other Equity	8.57	-	-0.47	-	8.10
<b>Total Equity</b>	<b>22.57</b>	<b>-</b>	<b>-0.47</b>	<b>-</b>	<b>22.10</b>
<b>LIABILITIES</b>					
<b>Non-Current Liabilities</b>					
<b>Financial Liabilities</b>					
Borrowings	195.80	-	-	-	195.80
Provisions	-	-	-	-	-
Deferred Tax Liabilities (Net)	-	-	-	-	-
<b>Total Non Current Liabilities</b>	<b>195.80</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>195.80</b>
<b>Current Liabilities</b>					
<b>Financial liabilities</b>					
Borrowings	-	-	-	-	-
Trade Payables	-	-	-	-	-
Total outstanding dues of micro and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	9.07	-	-	-	9.07
Other Financial Liabilities	0.47	-	-	-	0.47
Other Current Liabilities	-	-	-	-	-
Provisions	-	-	-	-	-
Current Tax Liabilities (Net)	1.91	-	-	-	1.91
<b>Total Current Liabilities</b>	<b>1,007.74</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11.45</b>
<b>Total Liabilities</b>	<b>1,203.54</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>207.25</b>
<b>Total Equity and Liabilities</b>	<b>3,853.77</b>	<b>-</b>	<b>-0.47</b>	<b>-</b>	<b>3,849.52</b>
<b>II A. Reconciliation of Balance sheet as at 31.03.2022</b>				<i>(Rs. in Lakhs)</i>	
Particulars	Regrouped Previous GAAP	Prior Period Adjustments*	Ind AS adjustments	Ind AS	Ind AS
Property, Plant and Equipment	31.69	-	-	-	31.69
Intangible Assets	-	-	-	-	-



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Capital work-in-progress	67.94	-	-	67.94
Financial Assets	-	-	-	-
Other Financial Assets	16.45	-	-	16.45
Deferred Tax Assets (Net)	-	-	-	-
<b>Total Non Current Assets</b>	<b>116.08</b>	<b>-</b>	<b>-</b>	<b>116.08</b>
Inventories	99.83	-	-	99.83
Financial Assets	-	-	-	-
Loans	1.51	-	-	-
Trade Receivables	74.77	-0.63	-	74.14
Cash and Cash Equivalents	5.22	-	-	5.22
Other Financial Assets	-	-	-	-
Other Current Assets	11.41	-	-	11.41
<b>Total Current Assets</b>	<b>192.75</b>	<b>-0.63</b>	<b>-</b>	<b>190.60</b>
<b>Total Assets</b>	<b>308.83</b>	<b>-0.63</b>	<b>-</b>	<b>306.68</b>

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**Annexure VII - Notes to Restated Consolidated Summary Statements**

**EQUITY AND LIABILITIES**

**EQUITY**

Equity Share Capital	14.00	-	-	14.00
Other Equity	255.90	-0.47	-	255.43
<b>Total Equity</b>	<b>269.90</b>	<b>-0.47</b>	<b>-</b>	<b>269.43</b>

**LIABILITIES**

**Non-Current Liabilities**

Financial Liabilities				
Borrowings	-	-	-	-
Provisions	-	-	-	-
Deferred Tax Liabilities (Net)	0.95	-0.16	-	0.79
<b>Total Non Current Liabilities</b>	<b>0.95</b>	<b>-0.16</b>	<b>-</b>	<b>0.79</b>

**Current Liabilities**

Financial liabilities				
Borrowings	-	-	-	-
Trade Payables	-	-	-	-
Total outstanding dues of micro and small enterprises	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	14.92	-	-	14.92
Other Financial Liabilities	0.47	-	-	0.47
Other Current Liabilities	21.78	-	-	21.78
Provisions	-	-	-	-
Current Tax Liabilities (Net)	0.80	-	-	0.80
<b>Total Current Liabilities</b>	<b>37.97</b>	<b>-</b>	<b>-</b>	<b>37.97</b>

<b>Total Liabilities</b>	<b>38.92</b>	<b>-0.16</b>	<b>-</b>	<b>38.77</b>
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<b>Total Equity and Liabilities</b>	<b>308.83</b>	<b>-0.63</b>	<b>-</b>	<b>308.20</b>
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**II. B. Reconciliation of Balance sheet as at 31.03.2023**

*(Rs. in Lakhs)*

	Regrouped Previous GAAP	Prior Period Adjustments*	Ind AS adjustments	Ind AS
<b><u>ASSETS</u></b>				
<b><u>Non-Current Assets</u></b>				
Property, Plant and Equipment	409.54	-	-	409.54
Intangible Assets	-	-	-	-
Capital work-in-progress	390.40	-	-	390.40
Financial Assets	-	-	-	-
Other Financial Assets	22.01	-	-	22.01
Deferred Tax Assets (Net)	-	-	-	-
<b>Total Non Current Assets</b>	<b>821.95</b>	<b>-</b>	<b>-</b>	<b>821.95</b>
<b><u>Current Assets</u></b>				
Inventories	55.43	-	-	55.43
Financial Assets				
Loans	-	-	-	-
Trade Receivables	324.82	-0.63	-1.00	323.20
Cash and Cash Equivalents	97.95	-	-	97.95
Other Financial Assets	-	-	-	-
Other Current Assets	164.61	-	-	164.61
<b>Total Current Assets</b>	<b>642.81</b>	<b>-0.63</b>	<b>-1.00</b>	<b>641.19</b>
<b>Total Assets</b>	<b>1,464.76</b>	<b>-0.63</b>	<b>-1.00</b>	<b>1,463.14</b>

**EQUITY AND LIABILITIES**

**EQUITY**

Equity Share Capital	228.40	-	-	228.40
Other Equity	330.27	-0.47	-0.75	329.06

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<b>Total Equity</b>	<b>558.67</b>	<b>-0.47</b>	<b>-0.75</b>	<b>557.46</b>
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**LIABILITIES**

<b>Non-Current Liabilities</b>				
Financial Liabilities				
Borrowings	502.02	-	-	502.02
Provisions	-	-	-	-
Deferred Tax Liabilities (Net)	1.57	-	-0.25	1.32
<b>Total Non Current Liabilities</b>	<b>503.59</b>	<b>-</b>	<b>-0.25</b>	<b>503.34</b>
<b>Current Liabilities</b>				
Financial liabilities				
Borrowings	323.36	-	-	323.36
Trade Payables	-	-	-	-
Total outstanding dues of micro and small enterprises	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	41.99	-	-	41.99
Other Financial Liabilities	0.47	-	-	0.47
Other Current Liabilities	23.10	-	-	23.10
Provisions	-	-	-	-
Current Tax Liabilities (Net)	13.58	-	-	13.58
<b>Total Current Liabilities</b>	<b>402.50</b>	<b>-</b>	<b>-</b>	<b>402.50</b>
<b>Total Liabilities</b>	<b>906.09</b>	<b>-</b>	<b>-0.25</b>	<b>905.84</b>
<b>Total Equity and Liabilities</b>	<b>1,464.76</b>	<b>-0.47</b>	<b>-1.00</b>	<b>1,463.30</b>

**II (i). Reconciliation of Statement of total Comprehensive Income for the year ended 31.03.2023**

*(Rs. in Lakhs)*

Particulars	Regrouped Previous GAAP	Prior Period Adjustments*	Ind AS adjustments	Ind AS
Revenue from Operations	1,623.07	-	-	1,623.07
Other Income	9.76	-	-	9.76
<b>Total Income (I)</b>	<b>1,632.83</b>	<b>-</b>	<b>-</b>	<b>1,632.83</b>

**EXPENSES**

Cost of Materials Consumed	22.43	-	-	22.43
Purchase of Traded Goods	1,229.05	-	-	1,229.05
Changes in inventories of finished goods and work-in-progress	44.40	-	-	44.40
Employee Benefits Expense	57.11	-	-	57.11
Finance Costs	30.71	-	-	30.71
Depreciation and Amortisation Expense	33.57	-	-	33.57
Other Expenses	158.28	-	1.00	159.28
<b>Total Expenses (II)</b>	<b>1,575.56</b>	<b>-</b>	<b>1.00</b>	<b>1,576.56</b>

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**Annexure VII - Notes to Restated Consolidated Summary Statements**

Profit Before Tax (I-II)	57.27	-	-1.00	56.27
<b>Tax Expense</b>				
(1) Current Tax	13.58	-	-	13.58
(2) Deferred Tax	0.62	-	-0.25	0.37
(3) Current taxes relating to earlier years	-	-	-	-
<b>Profit for the year</b>	<b>43.07</b>	<b>-</b>	<b>-0.75</b>	<b>42.32</b>
<b>Other Comprehensive Income (OCI)</b>				
Items that will not be reclassified to profit or loss				
- Remeasurement of defined benefit plans	-	-	-	-
- Income tax expense / (benefit) related to items that will not be reclassified to	-	-	-	-
Total Other comprehensive income (Net of Tax)	-	-	-	-
<b>Total Comprehensive Income for the Year</b>	<b>43.07</b>	<b>-</b>	<b>-0.75</b>	<b>42.32</b>

**II (ii). Reconciliation of Statement of total Comprehensive Income for the year ended 31.03.2022**

(Rs. in Lakhs)

Particulars	Regrouped Previous GAAP	Prior Period Adjustments*	Ind AS adjustments	Ind AS
Revenue from Operations	458.85	-	-	458.85
Other Income	4.13	-	-	4.13
<b>Total Income (I)</b>	<b>462.99</b>	<b>-</b>	<b>-</b>	<b>462.99</b>
<b>EXPENSES</b>				
Cost of Materials Consumed	-	-	-	-
Purchases of traded goods	500.77	-	-	500.77
Changes in inventories of finished goods and work-in-progress	-98.20	-	-	-98.20
Employee Benefits Expense	11.94	-	-	11.94
Finance Costs	-	-	-	-
Depreciation and Amortisation Expense	4.62	-	-	4.62
Other Expenses	30.99	-	-	30.99
<b>Total Expenses (II)</b>	<b>450.12</b>	<b>-</b>	<b>-</b>	<b>450.12</b>
Profit Before Tax (I-II)	<b>12.87</b>	<b>-</b>	<b>-</b>	<b>12.87</b>
<b>Tax Expense</b>				
(1) Current Tax	3.60	-	-	3.60
(2) Deferred Tax	1.45	-	-	1.45
(3) Current taxes relating to earlier years	0.79	-	-	0.79
<b>Profit for the year</b>	<b>7.03</b>	<b>-</b>	<b>-</b>	<b>7.03</b>
<b>Other Comprehensive Income (OCI)</b>				
Items that will not be reclassified to profit or loss				
- Remeasurement of defined benefit plans	-	-	-	-
- Fair value of Investments at fair value through OCI	-	-	-	-
- Gain/(Loss) on Investments designated through OCI	-	-	-	-
- Income tax expense / (benefit) related to items that will not be reclassified to	-	-	-	-
Total Other comprehensive income (Net of Tax)	-	-	-	-
<b>Total Comprehensive Income for the Year</b>	<b>7.03</b>	<b>-</b>	<b>-</b>	<b>7.03</b>

**III A. Reconciliation of Equity as at 31.03.2023, 31.03.2022 and 01.04.2021**

(Rs. in Lakhs)

Particulars	Note	As at 31.03.2023	As at 31.03.2022	As at 01.04.2021
<b>Total equity under local GAAP</b>		<b>558.67</b>	<b>269.90</b>	<b>22.57</b>
Prior Period Adjustments		-0.47	-0.47	-
<b>Total equity under local GAAP (adjusted)</b>		<b>558.20</b>	<b>269.43</b>	<b>22.57</b>
<b>Adjustments impact: Gain/ (Loss)</b>				
Provision for expected credit loss	A	-1.00	-	-0.63

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Fair valuation of financial asset - Investments through FVTOCI		-	-	-
Fair valuation of financial asset - Investments through Amortised cost		-	-	-
Fair valuation of financial asset - Investments through FVTPL		-	-	-
Remeasurement of defined benefit plans	<b>B</b>	-	-	-
Reversal of proposed ordinary dividends payable		-	-	-

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**Annexure VII - Notes to Restated Consolidated Summary Statements**

Depreciation, amortisation and impairment on immovable property		-	-	-
Recognition of Rights to Use Assets		-	-	-
Lease Liability		-	-	-
Unwinding of Security Deposit		-	-	-
Fair Valuation of Security Deposit		-	-	-
Amortisation of Rent		-	-	-
Deferred tax Impact	<b>C</b>	0.25	-	0.16
<b>Total IND AS adjustment</b>		<b>-0.75</b>	<b>-</b>	<b>-0.47</b>
<b>Total equity under Ind AS</b>		<b>557.46</b>	<b>269.43</b>	<b>22.10</b>

**III B. Reconciliation of Total Comprehensive Income**

*(Rs. in Lakhs)*

Particulars	Note	As at	
		31.03.2023	31.03.2022
<b>Profit after tax under local GAAP</b>		<b>43.07</b>	<b>7.03</b>
Prior Period Adjustments		-	-
<b>Profit after tax under local GAAP (adjusted)</b>		<b>43.07</b>	<b>7.03</b>
<b>Adjustments Gain/ (Loss)</b>			
Return on Investment		-	-
Fair valuation of financial asset - Investments through FVTPL		-	-
Depreciation, amortisation and impairment on immovable property		-	-
Provision for Gratuity & Provision for Compensated Absence	<b>B</b>	-	-
Interest Income on Deposit		-	-
Amortisation of Rent Expenses		-	-
Interest expenses on Account of Lease Liability		-	-
Other Expenses - Provision for expected credit loss	<b>A</b>	-1.00	-
Deferred tax Impact	<b>C</b>	0.25	-
<b>Total Adjustments</b>		<b>-0.75</b>	<b>-</b>
<b>Profit after tax as per Ind-AS</b>		<b>42.32</b>	<b>7.03</b>
Other comprehensive income (net of taxes)	<b>D</b>	-	-
<b>Total comprehensive income as per Ind AS</b>		<b>42.32</b>	<b>7.03</b>

IV On account of transition to Ind AS, there is no material adjustment to the Statement of Cash Flows for the year ended 31.03.2023 and 31.03.2022.

**V Notes to reconciliations:**

**A Trade receivables**

Under Previous GAAP, the Company had recognised provision on trade receivables based on the expectation of the Company. Under Ind AS, the Company provides loss allowance on receivables based on the Expected Credit Loss (ECL) model which is measured following the "simplified approach" at an amount equal to the lifetime ECL at each reporting date.

**B Remeasurement of defined benefit liabilities**

Under previous GAAP, the Company recognised remeasurement of defined benefit plans under Statement of Profit or Loss. Under Ind AS, remeasurement of defined benefit plans are recognised in Other Comprehensive Income.

**C Deferred Tax**

Under Previous GAAP, deferred tax accounting was done using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Under Ind AS, accounting of deferred taxes is done using the Balance Sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base.

Pursuant to Ind AS requirements, credit for Minimum Alternate Tax (MAT) is reclassified as deferred tax assets. Under I-GAAP the same was presented as part of taxes paid.

**D Other Comprehensive Income**

**Neetu Yoshi Limited (Previously known as Neetu Yoshi Private Limited)**  
**Annexure VII - Notes to Restated Consolidated Summary Statements**

Under Ind AS, all items of income and expense recognised in the year should be included in the Statement of Profit and Loss for the year, unless a standard requires or permits otherwise. Items of income or expense that are not recognised in the Statement of Profit and Loss but are shown in statement of profit and loss as "Other Comprehensive Income" includes remeasurement of defined benefit plans and fair value through OCI. The concept of Other Comprehensive Income did not exist under previous GAAP.

**E The previous year I-GAAP figures have been reclassified/regrouped to make them comparable with Ind AS presentation.**



42 Additional information as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary

Name of the entity in the group	Net assets i.e., total assets minus total liabilities		Share in profit or Loss		Share in other comprehensive Income		Share in Total Comprehensive Income	
	% of consolidated net assets	Amount (Rs. in lakhs)	% of consolidated profit or Loss	Amount (Rs. in lakhs)	% of consolidated other comprehensive Income	Amount (Rs. in lakhs)	% of consolidated other comprehensive Income	Amount (Rs. in lakhs)
<b>For the year ended 31st March 2024</b>								
<b>Parent</b>								
- Neetu Yoshi Private Limited	98.74%	1,954.47	99.56%	1,252.70	-	-	99.56%	1,252.70
<b>Subsidiary</b>								
<b>Indian</b>								
- Neetus Delight Private Limited	0.70%	13.84	0.34%	4.27	-	-	0.34%	4.27
Consolidation adjustments	0.30%	6.00	-	-	-	-	0.00%	-
Total	99.74%	1,974.31	99.90%	1,256.97	-	-	99.90%	1,256.97
Non controlling Interest in subsidiary	0.26%	5.09	0.10%	1.26	-	-	0.10%	1.26
<b>Grand Total</b>	<b>100.00%</b>	<b>1,979.40</b>	<b>100.00%</b>	<b>1,258.23</b>	<b>-</b>	<b>-</b>	<b>100.00%</b>	<b>1,258.23</b>

**Neetu Yoshi Limited (Previously known as Neetu Yoshi Private Limited)**

**Annexure VII - Notes to Restated Consolidated Summary Statements**

**Note 43 : Key Financial Ratios**

**Ratios for the year ended March 31, 2024**

Sr. No.	Particulars	Refer Note	Numerator	Denominator	Year 2023-24	Year 2022-23	% variance
1	Current Ratio		Current Assets	Current Liabilities	1.45	1.59	-8.98%
2	Debt – Equity Ratio	a	Borrowings	Total Equity	0.88	1.48	-40.67%
3	Debt Service Coverage Ratio	b	Profits after Tax + Finance Costs + Depreciation and Amortisation + Non Cash items	Finance Costs + Repayment of borrowings and lease liabilities	7.42	0.43	1611.72%
4	Return on Equity (ROE)	c	Profits after Tax	Average Total Equity	99.20%	10.24%	869.01%
5	Inventory Turnover Ratio		Sales	Average Inventory	23.15	20.91	10.70%
6	Trade receivables turnover ratio		Sales	Average Trade receivables	8.10	8.17	-0.86%
7	Trade payables turnover ratio	d	Net Purchases of Raw Material and Packing Material	Average Trade payables	129.80	43.98	195.15%
8	Net capital turnover ratio	e	Revenue from Operations	Working Capital (Current Assets - Current Liabilities)	10.44	6.80	53.53%
9	Net profit ratio	f	Profit after Tax	Revenue from Operations	26.58%	2.61%	919.39%
10	Return on capital employed (ROCE)	g	Profit before interest (excluding interest on lease liabilities), exceptional items and tax	Capital Employed [Total Equity + Total Debt (Borrowings)]	43.74%	6.28%	595.96%
11	Return on investment (ROI)		Income earned on Investments	Average investments	NA	NA	NA

**Neetu Yoshi Limited (Previously known as Neetu Yoshi Private Limited)**

**Annexure VII - Notes to Restated Consolidated Summary Statements**

**Notes:**

- a Decrease in Debt Equity Ratio is attributable to increase in profitability.
- b Increase in Debt Service Coverage ratio is due to increase in profitability, thus, availability of higher earnings for debt service.
- c Increase in Return on Equity is due to impact of higher profit during the year on closing balance of Equity.
- d Trade Payables Turnover Ratio: For Compliance with MSME norms, the Company has paid off its Creditors as at March 31, 2024, resulting in a higher turnover ratio.
- e Net capital turnover ratio: Better inventory management, and faster turnover of receivables, leading to higher sales.
- f Increase in net profit ratio is due to increase in sales & profitability.
- g Increase in Return on Capital Employed is due to increased sales & profitability.

**Ratios for the year ended March 31, 2023**

Sr. No.	Particulars	Refer Note	Numerator	Denominator	Year 2022-23	Year 2021-22	% variance
1	Current Ratio	a	Current Assets	Current Liabilities	1.59	5.06	(68.58%)
2	Debt – Equity Ratio		Borrowings	Total Equity	1.48	-	0.00%
3	Debt Service Coverage Ratio		Profits after Tax + Finance Costs + Depreciation and Amortisation + Non Cash items	Finance Costs + Repayment of borrowings and lease liabilities	0.43	NA	NA
4	Return on Equity (ROE)	b	Profits after Tax	Average Total Equity	10.24%	6.09%	66.67%
5	Inventory Turnover Ratio	c	Sales	Average Inventory	20.91	9.05	131.05%
6	Trade receivables turnover ratio	d	Sales	Average Trade receivables	8.17	5.21	56.81%
7	Trade payables turnover ratio		Net Purchases of Raw Material and Packing Material	Average Trade payables	43.98	41.75	5.34%
8	Net capital turnover ratio	e	Revenue from Operations	Working Capital (Current Assets - Current Liabilities)	6.80	2.98	128.19%
9	Net profit ratio	f	Profit after Tax	Revenue from Operations	2.61%	1.95%	50.00%
10	Return on capital employed (ROCE)	g	Profit before interest (excluding interest on lease liabilities), exceptional items and tax	Capital Employed [Total Equity + Total Debt (Borrowings)]	6.28%	4.76%	20.00%
11	Return on investment (ROI)		Income earned on Investments	Average investments	NA	NA	NA

**Neetu Yoshi Limited (Previously known as Neetu Yoshi Private Limited)**  
**Annexure VII - Notes to Restated Consolidated Summary Statements**

Note :

- a Decrease in current ratio id due to iuncreased short term borrowings to fund operational expansion.
- b Increase in Return on Equity is due to impact of higher profit during the year on closing balance of Equity.
- c A higher turnover ratio is due to increased sales activity, which directly contributes to higher revenue.
- d Improvemnet in receivables management.
- e Net capital turnover ratio: Better inventory management, and faster turnover of receivables, leading to higher sales.
- f Increase in net profit ratio is due to increase in sales & profitability.
- g Increase in Return on Capital Employed is due to increased sales & profitability.

**Note 44 : Relationship with Struck off Companies**

The Company does not have any transactions and balances with companies which are struck off.

**Note 45 : Additional Regulatory Information required by Schedule III to the Companies Act, 2013**

- i The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- ii The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or any government authority
- iii The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with the Companies (Restriction on number of layers) Rules, 2017.
- iv Utilisation of borrowed funds and share premium
  - I The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
    - a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
    - b. Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
  - II The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
    - a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
    - b. Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- v There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account.
- vi The Company has not traded or invested in crypto currency or virtual currency during the year.
- vii The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.

**Neetu Yoshi Limited (Previously known as Neetu Yoshi Private Limited)**

**Annexure VII - Notes to Restated Consolidated Summary Statements**

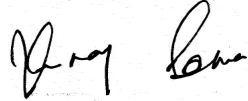
**Note 46 : Events after the reporting period:**

- a.) Pursuant to resolution passed in the meeting of the Board of Directors dated May 24, 2024, the Company approved issuance 2.5 of bonus shares of Rs. 10/- each for every 1 existing fully paid-up equity share of face value ₹ 10 each.
- b.) Pursuant to ordinary resolution passed in the meeting of the members dated May 30, 2024, the Company approved sub division of equity shares from face value of Rs. 10/- each to face value of Rs.5/- each. Accordingly the, authorized share capital of the company was increased from Rs. 25,00,00,000 consisting of 2,50,00,000 Equity Shares of Rs. 10/- each to Rs. 25,00,00,000 consisting of 5,00,00,000 Equity Shares of Rs.5/- each.
- c.) The impact of split of shares and issue of bonus shares are retrospectively considered for the computation of EPS as per the requirement of Ind AS 33.

**For Bagaria & Co. LLP**

**Chartered Accountants**

Firm Registration No. 113447W/W-100019



**Vinay Somani**

Partner

Membership No. 143503

Place: Mumbai

Date: August 28, 2024

**Himanshu Lohia** 

Managing Director & CFO

DIN: 08564450

Place : Dehradun

Date: August 28, 2024

**Subodh Lohia** 

Whole Time Director

DIN: 08564451

Place : Dehradun

Date: August 28, 2024

**Pranjul Gupta** 

Company Secretary

Place : Dehradun

Date: August 28, 2024

## OTHER FINANCIAL INFORMATION

### Accounting ratios

The accounting ratios derived from Restated Financial Statements required to be disclosed under the SEBI ICDR Regulations are set forth below:

Particulars	31st March, 2024	31st March, 2023	31st March 2022
	(₹ in lakhs)		
Net Worth	1,979.59	557.46	269.43
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	1,706.62	110.79	13.36
Restated PAT as per Profit and Loss Account (Rs. In lakhs)	1,258.23	42.32	7.03
Less: Prior Period Item	-	-	-
Adjusted Profit After Tax (PAT)	1,258.23	42.32	7.03
Number of equity share outstanding as on the end of year/period - Refer Note 3	38,82,800	22,84,000	1,40,000
Weighted Average Number of Equity Shares Outstanding During the year/period *	1,69,97,079	15,17,447	9,80,000
Current Assets	1,461.14	641.19	192.12
Current Liabilities	1,007.74	402.50	37.97
Face value per share (Rs.)	5	5	5
<b>Earnings per share</b>			
Basic earning per share based on weighted average number of shares (INR)	7.40	2.79	0.72
Diluted earning per share based on weighted average number of shares (INR)	7.40	2.79	0.72
Return on net worth (%)	99.20%	10.24%	6.09%
Net asset value per share	7.29	3.49	27.49
Current ratio	1.45	1.59	5.06

\*After adjustment for bonus shares allotted on May 24, 2024 and split of shares from Rs. 10 each to Rs. 5 each with effect from May 30, 2024.

**Note:**

- 1) The ratios have been computed as below:
  - a. Basic earnings per share (Rs.): Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the year
  - b. Diluted earnings per share (Rs.): Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the year for diluted EPS
  - c. Return on net worth (%): Net profit after tax (as restated) / Average Net worth at the end of the year
  - d. Net assets value per share -: Net Worth at the end of the year / Total number of equity shares outstanding at the end of the year (After adjustment for bonus shares allotted on May 24, 2024 and split of shares from Rs. 10 each to Rs. 5 each with effect from May 30, 2024)
- 2) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).
- 3) The figures disclosed above are based on the restated summary statements of the Company.
- 4) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures I, II, III, and IV

For further details, see “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on page 273.

### **Other financial statements**

In accordance with the SEBI ICDR Regulations, the audited standalone financial statements of our Company for the Fiscals 2024, 2023 and 2022 (“**Audited Financial Statements**”), respectively, are available on our website at [www.onyxbiotec.com](http://www.onyxbiotec.com). Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements of our Company and the reports thereon do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere. The Audited Financial Statements and the reports thereon should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company or any entity in which our Shareholders have significant influence and should not be relied upon or used as a basis for any investment decision. None of the entities specified above, nor any of their advisors, nor BRLM, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

## CAPITALISATION STATEMENT

The following table sets forth our Company's capitalisation as at March 31, 2024, derived from our Restated Financial Information, and as adjusted for the Issue. This table should be read in conjunction with "*Risk Factors*", "*Restated Financial Information*" and "*Management Discussion and Analysis of Financial Position Results of Operations*", on pages 29, 179 and 273 respectively.

Particulars	Pre-Issue as at March 31, 2024
<b>Borrowings</b>	
Short-Term Borrowings <sup>#</sup> (A)	689.71
Long-Term Borrowings <sup>#</sup> (B)	1049.23
<b>Total Borrowings (C)</b>	<b>1738.94</b>
<b>Shareholder's Funds</b>	
Share Capital <sup>#</sup>	388.28
Reserves and Surplus <sup>#</sup>	1586.02
Non-Controlling Interest	5.09
<b>Total Shareholder's Funds (D)</b>	<b>1979.39</b>
<b>Long-Term Borrowings/ Total Shareholder's Fund (B/D)</b>	<b>53.01%</b>
<b>Total Borrowings/ Total Shareholder's Fund (C/D)</b>	<b>87.85%</b>

As certified by M/s Bagaria & Co LLP, Chartered Accountants vide certificate dated September 13, 2024

\* The corresponding post-Issue capitalization data is not determinable at this stage pending the completion of the public issue and hence have not been furnished.

# These terms shall carry the meaning as per Schedule III of the Companies Act, 2013.

Notes:

1. The amounts disclosed above are derived from the Restated Financial Information.
2. Long-Term Borrowings include current maturities of long term borrowings and non-current lease liabilities.
3. Short-Term Borrowings include current lease liabilities.



## FINANCIAL INDEBTEDNESS

Our Company avails loans and facilities in the ordinary course of its business for meeting our working capital, capital expenditure and other business requirements. For details of the borrowing powers of our Board, please see “*Our Management – Borrowing Powers*” on page 164.

Our Company has obtained the necessary consents required under the relevant financing documentation for undertaking activities in relation to the Issue, including dilution of the current shareholding of our Promoters and members of the promoter group, expansion of business of our Company, effecting changes in our capital structure and shareholding pattern.

### SECURED BORROWINGS

The aggregate outstanding borrowings of our Company as on August 15, 2024 as certified by Bagaria & Co. LLP, Chartered Accountants vide certificate dated September 13, 2024, are as follows;

(₹ in lakhs)

S. No.	Category of Borrowing	Sanctioned amount	Amount outstanding as on August 15, 2024*
<b>Secured Loans</b>			
<i>Fund based facilities</i>			
	(i) Term loans	883.23	797.33
	(ii) Working capital facilities - Cash Credit	800.00	107.12
	(iii) Vehicle and Asset loans	127.50	106.11
	<b>Total fund-based</b>	<b>1,810.73</b>	<b>1,010.56</b>
	<b>Grand Total</b>	<b>1,810.73</b>	<b>1,010.56</b>

\* As certified by M/s Bagaria & Co LLP, Chartered Accountants vide certificate dated September 13, 2024

For details in relation to financial indebtedness of our Company, please see “*Restated Financial Information – Note 16 - Borrowings*” on page 202.

**Key terms of our secured borrowings (fund based) are disclosed below:**

#### (i) Term loans

						(In Lakhs)
Name of Lender	Sanctioned Amount	Rate of Interest	Primary and Collateral Security	Repayment Terms	Amount outstanding as on August 15, 2024	
Central Bank of India	200.00	9.95%	<u>Primary Security</u> – Exclusive charge on Stocks & Receivables, machinery <u>Collateral Security</u> - Exclusive charge on all piece & parcel of industrial plot & Construction thereon with Khasra No 255 & 256 pertaining to Khata No. 167 admeasuring area 0.7173 Hectare i.e. 7173 Sq mtrs Abadi Village, Fakkarhedi, Parg. & Tehsil Bhagwanpur Dist. Haridwar.	Repayable in 95 monthly Instalments of Rs. 3,04,543 from 30/06/2024 and last instalment of Rs. 3,04,556	196.05	
Personal Guarantee from Mr. Himanshu Lohia and Mr. Subodh Lohia						

Name of Lender	Sanctioned Amount	Rate of Interest	Primary and Collateral Security	Repayment Terms	Amount outstanding as on August 15, 2024
SIDBI	317.61	8.00% (Repo rate + 1.50%)	<p><u>Primary Security</u>- Lien Mark of SIDBI FDR of Rs 110 Lakhs First Charge by way of hypothecation in favour of SIDBI on all borrower movable(save &amp; except stock and book debt) including plant &amp; machinery, miscellaneous fixed assets, equipment, machinery, spares, tools &amp; accessories, furniture, fixture &amp; all other assets both present &amp; future of borrower covered under project of Rs. 317.61 Lakhs</p> <p><u>Collateral Security</u> – Extension of Lien Mark of SIDBI FDR of Rs 20 Lakh under earlier project of Rs. 295 Lakh. Extension of Lien Mark of SIDBI FDR of Rs 25.20 Lakh under earlier project of Rs. 84 Lakh. Extension by way of hypothecation in favour of SIDBI on all borrower movable(save &amp; except stock and book debt) including plant &amp; machinery, miscellaneous fixed assets, equipment, machinery, spares, tools &amp; accessories, furniture, fixture &amp; all other assets both present &amp; future of borrower covered under project of 84 Lakhs Extension by way of hypothecation in favour of SIDBI on all borrower movable (save &amp; except stock and book debt) including plant &amp; machinery, miscellaneous fixed assets, equipment etc. covered under project of 295 Lakh under DCS, depreciation value of the same considering @85% comes out to be Rs. 250 Lakh. Personal Guarantee from Shri Himanshu Lohia and Shri Subodh Lohia</p>	Repayable of principal amount in 53 monthly Instalments of Rs. 5,90,000 from 10/01/2024 and Last Instalment of Rs. 4,91,000.	270.41
SIDBI	84.00	8.00% (Repo rate + 1.50%)	<p><u>Primary Security</u> - First Charge by way of hypothecation in favour of SIDBI on all borrower movable(save &amp; except stock and book debt) including plant &amp; machinery, miscellaneous fixed assets, equipment, machinery, spares, tools &amp; accessories, furniture, fixture &amp; all other assets both present &amp; future of borrower covered under project of 84 Lakhs and the SIDBI term loan assistance of Rs. 84 lakh.</p> <p><u>Collateral Security</u> – Extension of Lien Mark of SIDBI FDR of Rs 20 Lakhs under earlier project of Rs. 295 Extension of Lien Mark of SIDBI FDR of Rs 25.20 Lakhs Extension by way of hypothecation in favour of SIDBI on all borrower</p>	Repayable of principal amount in 53 monthly Instalments of Rs. 1,55,000 from 10/12/2023 and Last instalment of Rs. 1,85,000	70.05

Name of Lender	Sanctioned Amount	Rate of Interest	Primary and Collateral Security	Repayment Terms	Amount outstanding as on August 15, 2024
			movable(save & except stock and book debt) including plant & machinery, miscellaneous fixed assets, equipment etc. covered under project of 295 Lakhs under DCS, depreciation value of the same considering @85% comes out to be Rs. 250 Lakh.		
			Personal Guarantee from Shri Himanshu Lohia and Shri Subodh Lohia		
SIDBI	200.00	8.85% (MCLR+0.95%)	<u>Primary Security-</u> First Charge by way of hypothecation in favour of SIDBI on all borrower movable(save & except stock and book debt) including plant & machinery, miscellaneous fixed assets, equipment, machinery spares, tools & accessories, furniture, fixture & all other assets both present & future of borrower covered under project of Rs. 295 Lakh and SIDBI TL of Rs. 200 Lakh under DCS Scheme.  <u>Collateral Security – Extension of Lien Mark of SIDBI FDR of Rs 20 Lakhs</u>	Repayable of principal amount in 48 monthly Instalments of Rs. 4,16,000 from 10/04/2024 and Last Instalment of Rs. 4,48,000	179.20
SIDBI	81.62	8.30% (Repo rate + 1.80%)	<u>Primary Security -</u> First Charge by way of hypothecation in favour of SIDBI on all borrower movable(save & except stock and book debt) including plant & machinery, miscellaneous fixed assets, equipment, machinery, spares, tools & accessories, furniture, fixture & all other assets both present & future of borrower covered under project of 81.62 Lakhs  <u>Collateral Security – Lien Mark of SIDBI FDR of Rs 20.50 Lakhs Extension of Lien Mark of SIDBI FDR of Rs 155.20 Lakhs</u> Extension of first charge by way of hypothecation in favour of SIDBI on all movable plant & machinery, spares, tools & accessories, office equipment, computer, furniture & fixtures, both present & future from TL assistance, of Rs 84 Lakhs Extension of first charge by way of hypothecation in favour of SIDBI on all movable plant & machinery, spares, tools & accessories, office equipment, computer, furniture & fixtures, both present & future from TL assistance, of Rs 200 Lakhs under project of 295 Lakhs Extension of first charge by way of hypothecation in favour of SIDBI on all movable plant & machinery, spares, tools & accessories, office equipments, computer, furniture & fixtures, both present & future from TL assistance, of Rs 317.61 Lakhs	Repayable of principal amount in 53 monthly instalments of Rs. 1,51,000 from 10/10/2024 and Last instalment of Rs. 1,59,000	81.62

Name of Lender	Sanctioned Amount	Rate of Interest	Primary and Collateral Security	Repayment Terms	Amount outstanding as on August 15, 2024
			Personal Guarantee from Shri Himanshu Lohia and Shri Subodh Lohia		
	883.23				797.33

(ii) Working capital facilities - Cash Credit

						(In Lakhs)
Name of Lender	Sanctioned Amount	Rate of Interest	Primary and Collateral Security	Repayment Terms	Amount outstanding as on August 15, 2024	
Central Bank of India	800.00	8.90% (CBI-IV)	<u>Primary Security -</u> Exclusive charge on stocks, receivables and machinery. <u>Collateral Security -</u> Exclusive charge on all piece & parcel of industrial plot & construction thereon with Khasra No 255 & 256 pertaining to Khata No. 167 admeasuring area 0.7173 Hectare i.e. 7173 Sq mtrs Abadi Village, Fakkarhedi, Parg. & Tehsil Bhagwanpur Distt. Haridwar. Personal Guarantee from Mr. Himanshu Lohia and Mr. Subodh Lohia	Repayable on demand	107.12	
<b>Total</b>	<b>800.00</b>				<b>107.12</b>	

(iii) Vehicle and Asset loans

						(In Lakhs)
Name of Lender	Sanctioned Amount	Rate of Interest	Primary and Collateral Security	Repayment Terms	Amount outstanding as on August 15, 2024	
Central Bank of India	76.22	9.50 % (MCLR/RB LR+0.15)	Hypothecation Vehicle Personal Guarantee from Himanshu Lohia	Repayable in 59 monthly Instalments of Rs. 1,60,077 from 30/04/2024 and last instalment of Rs. 1,60,055	70.89	
Protium Finance Limited	51.28	13.65%	Hypothecation Asset Financed	Repayable in 48 monthly instalments of Rs. 1,39,201 from 10/03/2023	35.22	
<b>Total</b>	<b>127.50</b>				<b>106.11</b>	

**Other Terms:**

The details provided below are indicative and there may be additional terms, conditions and requirements under the various financial documentation executed by us in relation to our indebtedness.

1. **Pre-payment:** The terms of facilities availed by us typically have prepayment provisions which allow for pre-payment of the outstanding loan amount, including upon giving notice to the concerned lender, subject to such prepayment penalties as laid down in the facility agreements. The prepayment penalty for the facilities availed by us, where specified, ranges typically between 2% to 4% of the amount outstanding or the amount to be prepaid as specified in the agreements with lenders. For certain facilities

- pre-payment is not disclosed however can be made after mutual negotiation between the lenders & the borrower on the pre-paid amount.
2. **Default/ Penal Interest:** The terms of certain financing facilities availed by us prescribe penalties for non-compliance of certain obligations. These include, inter alia, breach of financial covenants, non-submission of annual financial statements and stock statements, diversion of funds, non-perfection of security within permitted timelines, irregularity / overdrawn in the account etc. Further, the default interest payable on the facilities availed by us is charged at upto 2% per annum. Additional interest as specified by the lenders may be charged in case of continuation of the noncompliance beyond a certain period.
  3. **Restrictive Covenants:** Certain borrowing arrangements entered into by us contain restrictive covenants which requires us to take prior written consent of the respective lender before undertaking certain activities, including:
    - a. change or alternation in the capital structure;
    - b. effect any scheme of amalgamation or reconstruction;
    - c. undertake any project or implementation of new scheme of expansion/ diversification;
    - d. declaration of payment of dividend;
    - e. withdraw or allow to be withdrawn during the currency of the loan any moneys brought in by the borrower;
    - f. invest any funds by way of deposits or loans or in share capital of any other concern;
    - g. borrow or obtain credit facilities from any bank or financial institution;
    - h. appoint sole selling agents.
    - i. create any charge, lien or encumbrance over undertaking or any part thereof in favour of any bank, financial institution, firm or person;
    - j. enter into any contractual obligation which will be detrimental to interest of lender;
    - k. sell, assign, mortgage, or otherwise dispose off any of the fixed assets charged to the lender;
    - l. change in accounting policies; and
    - m. carry on any general trading activity other than trading for own products.
  4. **Events of Default:** The term loan and other facilities availed by us contain certain standard events of default, including:
    - a. change in the constitution, control, management, majority directors or in the shareholding pattern or profit sharing of our Company without the consent of the lenders to our Company;
    - b. failure or inability by our Company to repay any amount due under principal amount or interest;
    - c. failure to comply with any provision of the financing documents;
    - d. cease to carry on the business or threatens to carry on the business;
    - e. use of borrowing for purposes other than those agreed with lenders;
    - f. breach of any covenants, conditions, representations or warranties of financing documents;
    - g. cross default under any arrangement for the facilities extended by lender;
    - h. any misstatement, misrepresentation or misleading information in financing documents;
    - i. entering into any arrangement or composition creditors or the committing any act of insolvency or any act the consequence of which may lead to the insolvency or winding up;
    - j. obligation under financing arrangement or end use of amount borrowed becomes illegal or unlawful;
    - k. occurrence of any event or existence of any circumstances which jeopardizes interest of lender or threatens the security in respect of the facilities;
    - l. repudiation of a financing document or evidencing an intention to repudiate a finance document;
    - m. failure to obtain or maintain inadequate insurance; and
    - n. occurrence or existence of such events or circumstances, which in the opinion of the lender, could have a material adverse effect.

## UNSECURED BORROWINGS

As on August 15, 2024, we have availed secured loans of which the total outstanding amount unsecured loan is ₹ 6.00 lakhs as of date, the details of which are as under:

(₹ in lakhs)

S. No.	Category of Borrowing	Amount outstanding as on August 15, 2024	Rate of Interest
	<b>Long Term Loan</b>		
	Himanshu Lohia	4.40	Interest Free
	Subodh Lohia	1.60	Interest Free
	<b>Total</b>	<b>6.00</b>	

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

*The following discussion and analysis of our financial condition and results of operations for the Financial Years 2024, 2023 and 2022 is based on, and should be read in conjunction with, our Restated Financial Statements, including the schedules, notes and significant accounting policies thereto, included in the chapter titled "Restated Financial Statements" beginning on page 179 of this Draft Red Herring Prospectus. Our Restated Financial Statements have been derived from our audited financial statements and restated in accordance with the SEBI ICDR Regulations and the ICAI Guidance Note. Our restated financial statements are prepared in accordance with applicable Accounting Standards.*

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements included in this Draft Red Herring Prospectus. You should also read the section titled "Risk Factors" beginning on page 29 of this Draft Red Herring Prospectus, which discusses a number of factors, risks and contingencies that could affect our financial condition and results of operations. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal year are to the twelve-month period ended March 31 of that year.*

*In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Neetu Yoshi Limited, our Company. Unless otherwise indicated, financial information included herein are based on our "Restated Financial Statements" for the Financial Years 2024, 2023 and 2022 included in this Draft Red Herring Prospectus beginning on page 179 of this Draft Red Herring Prospectus.*

### **Business Overview**

We are foundry with integrated CNC machine shop engaged in the business of manufacturing of customised products in different grades of ferrous metallurgical products. Our versatile product portfolio covers different grades of mild steel, spheroidal graphite iron, cast iron and manganese steel, from as small as 0.2 Kgs to 500 Kgs finished metallurgical products. We are a RDSO certified vendor for manufacturing and supply of 20 casting products for Indian Railways. We are also ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 certified which certifies our quality management, environmental management and occupational health & safety management system respectively, employed by us in our manufacturing facility. We combine modern manufacturing technology and engineering expertise with cost efficient processes, to deliver quality products at competitive prices. Our manufacturing operations are strengthened by our technical capabilities, infrastructure, and process knowledge.

We offer to our customers a comprehensive range of both standard and customised products. We have a diverse product portfolio of over 25 products supplemented by our ability to make customised products for our customers. Our growth since inception demonstrates our capability as an emerging supplier for a diverse range of products and positions us as a strategic and preferred supplier. As on date we supply our products to Indian Railways. As on date of this Draft Red Herring Prospectus, we are majorly catering and serving Indian Railways through our casting products which are used for production of critical safety products i.e. braking solutions, suspensions, propulsion aids & coupling attachments for trains of Indian railways and therefore serves as bogie components, LHB bogie component, coupler component for wagons, coach component for coach, locomotive component, railway track component for Indian Railways.

We constantly strive to produce our products of standard quality and sustainability. To achieve this, we stick to strict quality standards, continuous in-house evaluations and training of our workforce. Our continuous focus on providing quality products and services consistently to our customers has helped us nurture our growing relationships with our customers. We focus on understanding customer specific requirements, and also endeavour to continuously focus on quality, safety, value proposition, and the price competitiveness of our offerings, which we believe has helped us in establishing and maintaining our relationships with our customers. Our Company directly sell its products to domestic customers. We combine modern manufacturing technology and engineering expertise with cost efficient processes, to deliver quality products at competitive prices. Our manufacturing operations are strengthened by our technical capabilities, infrastructure, and process knowledge.

## Key Performance Indicators

In evaluating our business, we consider and use certain key performance indicators that are presented below as supplemental measures to review and assess our operating performance. The presentation of these key performance indicators is not intended to be considered in isolation or as a substitute for the Restated Financial Information included in this Prospectus. We present these key performance indicators because they are used by our management to evaluate our operating performance. Further, these key performance indicators may differ from the similar information used by other companies, including peer companies, and hence their comparability may be limited. Therefore, these matrices should not be considered in isolation or construed as an alternative to AS measures of performance or as an indicator of our operating performance, liquidity, profitability or results of operation. A list of our KPIs for the Financial Years ended March 31, 2024, 2023 and 2022 is set out 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
<b>Financial</b>			
Revenue from Operations (1)	4,733.42	1,623.07	458.85
Gross Profit (2)	2,306.27	327.19	56.29
Gross Profit Margin (3)	48.72%	20.16%	12.27%
EBITDA (4)	1,706.62	110.79	13.36
EBITDA Margin (5) (in %)	36.05%	6.83%	2.91%
Net Profit after tax (6)	1,258.23	42.32	7.03
Net Profit Margin (7) (in %)	26.58%	2.61%	1.53%
Return on Net Worth (8) (in %)	99.20%	10.24%	6.09%
Return on Capital Employed (9) (in %)	43.74%	6.28%	4.76%

**Notes:**

- (1) Revenue from operations represents the revenue from sale of products of our Company as recognized in the Restated financial information.
- (2) Gross profit represents revenue from operations less cost of goods sold. Cost of goods sold comprises of cost of materials consumed, Purchases of Stock-In-Trade and Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade.
- (3) Gross profit margin is calculated as gross profit as a percentage of revenue from operations.
- (4) 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 expenses less other income
- (5) EBITDA margin is calculated as EBITDA as a percentage of revenue from operations.
- (6) Net Profit after tax represents the restated profits of our Company after deducting all expenses.
- (7) Net Profit margin is calculated as restated net profit after tax for the year divided by revenue from operations.
- (8) 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.
- (9) Return on capital employed calculated as Earnings before interest and taxes divided by average capital employed (average capital employed calculated as aggregate value of total equity, total debt and deferred tax liabilities of the current financial year/period).

### Significant Developments subsequent to the last audited period:

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the business activities or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months.



### **Factors Affecting our Results of Operations:**

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “**Risk Factors**” beginning on page 29 of this Draft Red Herring Prospectus. Our Results of Operations and financial conditions are affected by numerous factors including the following:

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

### **Significant Accounting Policies:**

For Significant accounting policies please refer Significant Accounting Policies, under Chapter titled “**Restated Financial Statements**” beginning on page 179 of the Draft Red Herring Prospectus.

### **PRINCIPAL COMPONENTS OF STATEMENT OF PROFIT AND LOSS**

**Set forth below are the principal components of statement of profit and loss from our continuing operations:**

#### **Income**

Our total income comprises of (i) revenue from operations and (ii) other income.

#### **Revenue from Operations**

Revenue from operations comprises of: (i) sale of finished goods.

#### **Other Income**

Other income includes (i) Interest Income mainly from Bank on deposits and (ii) interest on IT Refund, (iii) Other operating Revenue and (iv) written back Liabilities which are no longer required.

#### **Expenses**

Our expenses comprises of: (i) cost of materials consumed; (ii) purchases of stock in trade; (iii) changes in inventories of finished goods, work-in-progress and stock-in-trade; (iv) employee benefits expense; (v) finance costs; (vi) depreciation and amortization expense; and (vii) other expenses.

**Cost of Materials Consumed**

Cost of materials consumed denote the sum of opening stock and purchases of stock of raw materials less closing stock of raw materials.

**Purchases of stock-in-trade**

Purchase of stock-in-trade denotes the purchase cost of traded goods

**Changes in Inventories**

Changes in inventories denote the difference between opening and closing balance of work in progress, finished goods and stock in trade

**Employee Benefits Expense**

Employee benefits expenses include (i) Salaries and Wages, (ii) Staff Welfare/ Bonus Expenses, (iii) Contributions to Provident and Other Fund, (iv) Directors Remuneration and (v) Gratuity

**Finance Cost**

Finance cost includes (i) interest on borrowings; (ii) bank charges and (iii) processing fees & other charges.

**Depreciation and Amortisation expenses**

Depreciation and amortisation expenses primarily include depreciation expenses on our Plant & machinery, Car, Computer & Softwares, Office Equipment's, & Building

**Other Expenses**

Other expenses include (i) audit fees; (ii) consumption of stores, spares & consumables; (iii) Power & Fuel expenses; (iv) Repair & Maintenance Expenses; (v) Legal & Professional Expenses; (vi) Travelling & Conveyance expenses; (vii) Rent Expenses; (viii) Job work charges; (ix) Freight & Handling Charges; (x) Pollution Control Expenses; (xi) Bank charges; (xii) Insurance Expenses; (xiii) Provision for Expected credit Loss; (xiv) Miscellaneous Expenses.

**Discussion on Results of Operations:**

The following table sets forth select financial data from restated profit and loss accounts for the financial year ended on March 31, 2024, March 31, 2023 and March 31, 2022 and the components of which are also expressed as a percentage of total income for such periods.

(₹ in Lakhs)

PARTICULARS	Year Ended March 31, 2024		Year Ended March 31, 2023		Year Ended March 31, 2022	
	₹ in lakhs	%*	₹ in lakhs	%*	₹ in lakhs	%*
<b>Income</b>						
Revenue from operations	4,733.42	99.75%	1,623.07	99.40%	458.85	99.11%
Other Income	11.94	0.25%	9.76	0.60%	4.13	0.89%
<b>Total Income</b>	<b>4,745.36</b>	<b>100.00%</b>	<b>1,632.83</b>	<b>100.00%</b>	<b>462.99</b>	<b>100.00%</b>
<b>Expenses</b>						
Cost of Materials Consumed	2,672.80	56.32%	22.43	1.37%	-	-
Purchase of Traded Goods	5.55	0.12%	1,229.05	75.27%	500.77	108.16%
Changes in inventories of finished goods and work-in-progress	(251.2)	(5.29%)	44.4	2.72%	(98.2)	(21.21%)
Employee Benefits Expense	167.67	3.53%	57.11	3.50%	11.94	2.58%
Finance Costs	120.23	2.53%	30.71	1.88%	0	0.00%
Depreciation and Amortization Expense	79.81	1.68%	33.57	2.06%	4.62	1.00%
Other Expenses	431.98	9.10%	159.28	9.75%	30.99	6.69%
<b>Total Expenses</b>	<b>3,226.84</b>	<b>68.00%</b>	<b>1,576.56</b>	<b>96.55%</b>	<b>450.12</b>	<b>97.22%</b>
<b>Profit before tax</b>	<b>1,518.52</b>	<b>32.00%</b>	<b>56.27</b>	<b>3.45%</b>	<b>12.87</b>	<b>2.78%</b>
Tax expense						
Current Tax	233.12	4.91%	13.58	0.83%	3.6	0.78%
Deferred Tax	27.18	0.55%	0.37	0.02%	1.45	0.31%
Current taxes relating to earlier years	-	-	-	-	0.79	0.17%
<b>Total Tax Expense</b>	<b>260.29</b>	<b>5.46%</b>	<b>13.95</b>	<b>0.85%</b>	<b>5.84</b>	<b>1.26%</b>
<b>Profit After Tax</b>	<b>1258.23</b>	<b>26.54%</b>	<b>42.32</b>	<b>2.59%</b>	<b>7.03</b>	<b>1.52%</b>
Non-controlling interests	1.26		-		-	
<b>Profit attributable to equity share holders of the Company</b>	<b>1256.97</b>	<b>26.51%</b>	<b>42.32</b>	<b>2.59%</b>	<b>7.03</b>	<b>1.52%</b>

\* (%) column represents percentage of total income

**COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2024 TO FINANCIAL YEAR ENDED MARCH 31, 2023**

P A R T I C U L A R S	(₹ in Lakhs)			
	Year Ended March 31, 2024	Year Ended March 31, 2023	Changes	Change
	₹ in lakhs	₹ in lakhs	₹ in lakhs	%
<b>Income</b>				
Revenue from operations	4,733.42	1,623.07	3,110.35	191.63%
Other Income	11.94	9.76	2.18	22.34%
<b>Total Income</b>	<b>4,745.36</b>	<b>1,632.83</b>	<b>3,112.53</b>	<b>190.62%</b>
<b>Expenses</b>				
Cost of Materials Consumed	2,672.80	22.43	2,650.37	11816.18%
Purchase of Traded Goods	5.55	1,229.05	(1,223.50)	(99.55%)
Changes in inventories of finished goods and work-in-progress	(251.20)	44.40	(295.60)	(665.77%)
Employee Benefits Expense	167.67	57.11	110.56	193.59%
Finance Costs	120.23	30.71	89.52	291.50%
Depreciation and Amortization Expense	79.81	33.57	46.24	137.74%
Other Expenses	431.98	159.28	272.70	171.21%
<b>Total Expenses</b>	<b>3,226.84</b>	<b>1,576.56</b>	<b>1,650.28</b>	<b>104.68%</b>
<b>Profit before tax</b>	<b>1,518.52</b>	<b>56.27</b>	<b>1,462.25</b>	<b>2598.63%</b>
Tax expense				
Current Tax	233.12	13.58	219.54	1616.64%
Deferred Tax	27.18	0.37	26.81	7,244.96%
<b>Total Tax Expense</b>	<b>260.29</b>	<b>13.95</b>	<b>246.35</b>	<b>1765.92%</b>
<b>Profit After Tax</b>	<b>1258.23</b>	<b>42.32</b>	<b>1,215.91</b>	<b>2873.13%</b>
Non-controlling interests	1.26	-		
<b>Profit attributable to equity share holders of the Company</b>	<b>1256.97</b>	<b>42.32</b>	<b>1,214.65</b>	<b>2,870.15%</b>

**Income:**

**Total Revenue:**

Our Total Revenue increased by 190.62% to ₹4,745.36 Lakhs in Financial year ended March 31, 2024 from ₹1,632.83 Lakhs in Financial year ended March 31, 2023.

**Revenue from Operations**

Our Revenue from Operations increased by 191.63% to ₹4,733.42 Lakhs in Financial year ended March 31, 2024 from ₹1,623.07 Lakhs in Financial year ended March 31, 2023. The increase in revenue is on account of commencement of manufacturing operations by the company by setting up manufacturing facility in fiscal year 2024 at Uttarakhand which was having installed capacity of 4,493 Metric tonnes per annum.

## **Other Income**

Our other income increased by 22.34% to ₹11.94 Lakhs in Financial year ended March 31, 2024 from ₹9.76 Lakhs in Financial year ended March 31, 2023. The increase is majorly due to interest income in Financial year ended March 31, 2024

## **Expenditure**

### ***Total Expenses***

Our total expenses have also increased by 104.68 % to ₹ 3,226.84 lakhs in Financial Year ended March 31, 2024 from ₹1,576.56 lakhs in Financial Year ended March 31, 2023. This increase was principally due to ₹ 2,650.37 lakhs increase in cost of material consumed, ₹ 1,223.50 lakhs decrease in purchases of Stock-In-Trade, ₹ 295.60 lakhs decrease in changes in inventories of finished goods, & work in progress, ₹ 110.56 lakhs increase in employee benefit expenses, ₹ 89.52 lakhs increase in finance costs, ₹ 46.24 Lakhs increase in depreciation and amortization expenses and ₹ 272.70 lakhs increase in other expenses

### **Cost of Goods Sold**

Cost of Goods Sold represents sum of cost of material consumed, purchases of stock in trade, changes in inventories of finished goods, work in progress, and stock in trade. Cost of Goods Sold has increased by 87.30% from Financial Year ended March 31, 2023 to Financial Year ended March 31, 2024 due to the factors described below.

### ***Cost of Material Consumed***

Our Cost of Material Consumed increased considerably by 11,816.18% to ₹2672.80 Lakhs in Financial year ended March 31, 2024 from ₹22.43 Lakhs in the Financial year ended March 31, 2023. This increase was primarily attributable to an increase in consumption of raw materials during the year owing to commencement of manufacturing operations in the Financial year ended March 31, 2024.

### **Purchase of Traded Goods**

The purchase of traded goods decreased to ₹5.55 Lakhs in Financial year ended March 31, 2024 from ₹1,229.05 Lakhs for Financial year ended March 31, 2023. The decrease in purchase of stock in trade is due to commencement of manufacturing operations in Financial year ended March 31, 2024 owing to decrease in purchase of traded goods.

### **Changes in inventories of finished goods and work-in-progress**

The Changes in inventories of finished goods and work-in-progress decreased by 665.77% to ₹-251.20 Lakhs in Financial year ended March 31, 2024 from ₹44.40 Lakhs in Financial year ended March 31, 2023 owing to commencement of manufacturing facility by the company resulting in increase in inventory of finished goods.

### **Employee Benefit Expenses**

The employee benefits expense increased significantly by 193.59% to ₹167.67 Lakhs in Financial year ended March 31, 2024 from ₹57.11 Lakhs in Financial year ended March 31, 2023. This increase was primarily attributable to increase in salary and wages due to commencement of factory operations in Uttarakhand.

### **Finance Cost**

Finance cost has substantially increased by 291.50% to ₹120.23 Lakhs in Financial year ended March 31, 2024 from ₹30.71 Lakhs in Financial year ended March 31, 2023 on account of increase in borrowings in Financial year ended March 31, 2024.

## Depreciation & Amortization

Depreciation and amortization expense increased by 137.74% to ₹79.81 Lakhs in Financial year ended March 31, 2024 from ₹33.57 Lakhs in Financial Year ended March 31, 2023. This increase is on account of purchase of additional Plant and Machinery as company has started manufacturing operations in Financial year ended March 31, 2024.

## Other Expenses

Other expenses increased by 171.21% to ₹ 431.98 lakhs in Financial Year ended March 31, 2024 from ₹ 159.28 lakhs in Financial Year ended March 31, 2023. This was primarily due to increase consumption of power & fuel expenses by ₹ 145.96 Lakhs, an increase in freight & handling charges by ₹ 104.07 lakhs, an increase in travelling & conveyance expenses by ₹ 15.63 lakhs & an increase in repair & maintenance expenses by ₹ 13.01 lakhs.

## Profit before tax

Profit before tax has substantially increased by 2598.63% from ₹56.27 lakhs in Financial year ended March 31, 2023 to ₹1518.52 lakhs in Financial year ended March 31, 2024. This Increase is primary due to the commencement of manufacturing operations by the company in Financial year ended March 31, 2024.

## Tax Expense

Due to increase in our profit before tax, our tax expense increased by 1,765.92% to ₹260.29 lakhs in Financial year ended March 31, 2024 from ₹13.95 lakhs in Financial year ended March 31, 2023. Our current tax expenses has been increased to ₹233.12 Lakhs in 2024 from ₹13.58 Lakhs in 2023. Our deferred tax expenses increased to ₹27.18 Lakhs in FY 2024 from ₹0.37 Lakhs In 2023

## Profit after tax

For the reasons discussed above, our profit after tax increased by 2,873.13% to ₹1,258.23 Lakhs in Financial year ended March 31, 2024 from ₹42.32 Lakhs in Financial year ended March 31, 2023.

## COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2023 TO FINANCIAL YEAR ENDED MARCH 31, 2022

PARTICULARS	(₹ in Lakhs)			
	Year Ended March 31, 2023	Year Ended March 31, 2022	Change	Change
	₹ in lakhs	₹ in lakhs	₹ in lakhs	%
<b>Income</b>				
Revenue from operations	1,623.07	458.85	1,164.22	253.73%
Other Income	9.76	4.13	5.63	136.32%
<b>Total Income</b>	<b>1,632.83</b>	<b>462.99</b>	<b>1,169.84</b>	<b>252.67%</b>
<b>Expenses</b>				
Cost of Materials Consumed	22.43	-	22.43	
Purchase of Traded Goods	1,229.05	500.77	728.28	145.43%
Changes in inventories of finished goods and work-in-progress	44.4	(98.2)	142.60	(145.21%)
Employee Benefits Expense	57.11	11.94	45.17	378.31%
Finance Costs	30.71	-	30.71	
Depreciation and Amortization Expense	33.57	4.62	28.95	626.62%
Other Expenses	159.28	30.99	128.29	413.97%

PARTICULARS	Year Ended	Year Ended	Change	Change
	March 31, 2023	March 31, 2022		
	₹ in lakhs	₹ in lakhs	₹ in lakhs	%
<b>Total Expenses</b>	<b>1,576.56</b>	<b>450.12</b>	<b>1,126.44</b>	<b>250.25%</b>
<b>Profit before tax</b>	<b>56.27</b>	<b>12.87</b>	<b>43.40</b>	<b>337.22%</b>
Tax expense				
Current Tax	13.58	3.60	9.98	277.22%
Deferred Tax	0.37	1.45	-1.08	-74.48%
Current taxes relating to earlier years	0	0.79	-0.79	-100.00%
<b>Total Tax Expense</b>	<b>13.95</b>	<b>5.84</b>	<b>8.11</b>	<b>138.87%</b>
<b>Profit After Tax</b>	<b>42.32</b>	<b>7.03</b>	<b>35.29</b>	<b>501.99%</b>

**Income:**

**Total Revenue:**

Our Total Revenue increased by 252.67% to ₹1632.83 Lakhs in Financial year ended March 31, 2023 from ₹462.99 Lakhs in Financial year ended March 31, 2022.

**Revenue from Operations**

Our Revenue from Operations increased by 253.73% to ₹1623.07 Lakhs in Financial year ended March 31, 2023 from ₹458.85 Lakhs in Financial year ended March 31, 2022. The increase in revenue can be primarily attributable due to commissioning of machining workshop in Financial year ended March 31, 2023.

**Other Income**

Our other income increased by 136.32% to ₹9.76 Lakhs in Financial year ended March 31, 2023 from ₹4.13 Lakhs in Financial year ended March 31, 2022. This increase can be primarily attributable to write back of liabilities no longer required in Financial year ended March 31, 2023 of ₹2.92 Lakhs and receipt of bad debts amounting to ₹3.21 Lakhs in Financial year ended March 31, 2023.

**Expenditure**

**Total Expenses**

Our total expenses have also increased by 250.25 % to ₹ 1,576.56 lakhs in Financial Year ended March 31, 2024 from ₹450.12 lakhs in Financial Year ended March 31, 2023. This increase was principally due to ₹ 22.43 lakhs increase in cost of material consumed, ₹ 728.28 lakhs increase in purchases of Stock-In-Trade, ₹ 142.60 lakhs increase in changes in inventories of finished goods, & work in progress, ₹ 45.17 lakhs increase in employee benefit expenses, ₹ 30.71 lakhs increase in finance costs, ₹ 28.95 Lakhs increase in depreciation and amortization expenses and ₹ 128.29 lakhs increase in other expenses

**Cost of Goods Sold**

Cost of Goods Sold represents sum of cost of material consumed, purchases of stock in trade, changes in inventories of finished goods, work in progress, and stock in trade. Cost of Goods Sold has increased by 221.91% from Financial Year ended March 31, 2022 to Financial Year ended March 31, 2023 due to the factors described below.

**Cost of Material Consumed**

Our company started Machining workshop in Financial Year ended March 31, 2023 and hence Cost of Material Consumed of ₹22.43 Lakhs in Financial year ended March 31, 2023 is accounted.

### **Purchase of Traded Goods**

The purchase of traded goods increased by 145.43% to ₹1,229.05 Lakhs in Financial year ended March 31, 2023 from ₹500.07 Lakhs in Financial year ended March 31, 2022. This increase was primarily attributable due to commissioning of Machining workshop and increase in the business operations of the company in the Financial year ended March 31, 2023.

### **Changes in inventories of finished goods and work-in-progress**

The Changes in inventories of finished goods and work-in-progress increased to ₹44.40 Lakhs in Fiscal 2023 from ₹(98.20) Lakhs in Financial year ended March 31, 2022.

### **Employee Benefit Expenses**

The employee benefits expense increased significantly by 378.31% to ₹57.11 Lakhs in Financial year ended March 31, 2023 from ₹11.94 Lakhs in Financial year ended March 31, 2022. This was primarily attributed to increase in Salaries and Wages and Staff Welfare Expense as compared to the previous year.

### **Finance Cost**

Finance cost was ₹30.71 Lakhs in Financial year ended March 31, 2023 due to availment of borrowings in Financial year ended March 31, 2023. However, there is no borrowings in Financial year ended March 31, 2022.

### **Depreciation & Amortization**

Depreciation and amortization expense increased by 626.62% to ₹33.57 Lakhs in Financial year ended March 31, 2023 from ₹4.62 Lakhs in Financial year ended March 31, 2022 due to purchase of Fixed Assets for commencement of Machining workshop in Financial year ended March 31, 2023.

### **Other Expenses**

Other expenses increased by 413.97% to ₹ 159.28 lakhs in Financial Year ended March 31, 2023 from ₹ 30.99 lakhs in Financial Year ended March 31, 2022. This was primarily due to an increase in freight & handling charges by ₹ 42.76 lakhs, an increase in travelling & conveyance expenses by ₹ 16.35 lakhs, increase consumption of power & fuel expenses by ₹ 13.14 Lakhs & an increase in repair & maintenance expenses by ₹ 10.85 lakhs

### **Profit before tax**

Profit before tax has increased by 337.22% to ₹56.27 lakhs in Financial year ended March 31, 2023 from ₹12.87 lakhs in Financial year ended March 31, 2022. The increase in Profit before Tax can be primarily attributable to commencement of Machining workshop and increase in revenue in Financial year ended March 31, 2023.

### **Tax Expense**

Due to increase in our profit before tax, our tax expense increased by 138.87% to ₹13.95 lakhs in Financial year ended March 31, 2023 from ₹5.84 lakhs in Financial year ended March 31, 2022. Our current tax expenses has been increased to ₹13.58 Lakhs in 2023 from ₹3.60 Lakhs in 2022. Our deferred tax expenses increased to ₹0.37 Lakhs in FY 2023 from ₹1.45 Lakhs In 2022.

### **Profit after tax**

For the reasons discussed above, our profit after tax increased substantially by 501.99% from ₹7.03 Lakhs in Financial year ended March 31, 2022 to ₹42.32 Lakhs in Financial year ended March 31, 2023.



## CASH FLOW

The table below summaries our cash flows from our Restated Consolidated Financial Information for financial year ended March 31, 2024, 2023, and 2022:

(Rs. In Lakhs)

Particulars	For the Financial Years ended March 31,		
	2024	2023	2022
Net cash (used in)/ Generated from operating activities	767.25	(195.27)	1.89
Net cash (used in)/ Generated from investing activities	(1622.36)	(753.88)	(70.48)
Net cash (used in)/ Generated from finance activities	956.88	1041.88	73.39
Cash & Cash Equivalents at beginning of period/year	97.95	5.22	0.43
Cash & Cash Equivalents at end of period/year	199.72	97.95	5.22

### *Cash flow from operating activities:*

#### *For the year ended 31st March 2024*

The Net cash Generated from operating activities is ₹767.25 Lakhs. Our Operating profit before working capital changes was ₹1,713.38 Lakhs in Financial year ended March 31, 2024, which was the result of the profit before tax for the year of ₹1,518.52 Lakhs adjusted primarily for depreciation and amortization of ₹79.81 Lakhs, finance cost of ₹120.23 Lakhs, Provision for expected credit loss of ₹2.63 Lakhs, Interest income of ₹8.06 Lakhs and loss on goodwill write off of ₹0.26 Lakhs. Our movement in Working capital changes primarily consisted of increase in Inventories of ₹298.15 lakhs, increase in Trade Receivables of ₹525.00 lakhs, increase in other financial assets of ₹23.09, increase in Other financial liabilities of ₹74.48, decrease in other current assets of ₹109.62, decrease in trade payables of ₹41.99 lakhs, decrease in other current liabilities of ₹23.10 and increase in Liabilities and Provisions of ₹14.22 lakhs.

#### *For the year ended 31st March 2023*

The Net cash used in operating activities is ₹195.27 Lakhs. Our Operating profit before working capital changes was ₹118.64 Lakhs in Financial year ended March 31, 2023, which was the result of the profit before tax for the period of ₹56.27 Lakhs adjusted primarily for depreciation and amortization of ₹33.57 Lakhs, finance cost of ₹30.71 Lakhs, provision for expected credit loss of ₹1.00 Lakhs and Liabilities no longer required written back of ₹2.92 lakhs. Our Working capital changes primarily consisted of decrease in Inventories of ₹44.40 lakhs, increase in Trade Receivables of ₹247.14 lakhs, decrease in Other financial assets of ₹14.43, increase in other current assets of ₹153.20, increase in trade payables of ₹27.07 lakhs, increase in other current liabilities of ₹1.32 and decrease in Liabilities and Provisions of ₹12.78 lakhs.

#### *For the year ended 31st March 2022*

The Net cash Generated from operating activities is ₹1.89 Lakhs. Our Operating profit before working capital changes was ₹17.47 Lakhs in Financial year ended March 31, 2022 which was the result of the profit before tax for the period of ₹12.87 Lakhs adjusted primarily for depreciation and amortization of ₹4.62 Lakhs and Liabilities no longer required written back of ₹0.02 lakhs. Our Working capital changes primarily consisted of increase in Inventories of ₹98.20 lakhs, decrease in Trade Receivables of ₹73.18 lakhs, increase in Other financial assets of ₹1.45 Lakhs, increase in other current assets of ₹11.26 Lakhs, increase in trade payables of ₹5.85 lakhs, increase in other current liabilities of ₹21.78 and decrease in Liabilities and Provisions of ₹1.89 lakhs.

### *Cash flow from Investing Activities:*

#### *For the year ended March 31, 2024*

Net cash used in Investing activities is ₹1,622.36 Lakhs in Financial year ended March 31, 2024. This reflected the capital expenditure towards fixed assets for 1,474.73 Lakhs and term deposit of 155.70 Lakhs. The payments were partially offset by receipt of interest income of ₹8.06 Lakhs.

***For the year ended March 31, 2023***

Net cash used in Investing activities is ₹753.88 Lakhs in Financial year ended March 31, 2023. This reflected the capital expenditure towards fixed assets for 739.39 Lakhs and term deposit of ₹20.00 Lakhs. The payments were partially sale of fixed assets of ₹5.51 Lakhs.

***For the year ended March 31, 2022***

Net cash used in Investing activities is ₹70.48 Lakhs in Financial year ended March 31, 2022. This reflected the capital expenditure towards fixed assets for ₹70.48 Lakhs.

**Cash flow from Financing Activities:**

***For the year ended March 31, 2024***

Net cash generated from financing activities was ₹956.88 lakhs for the financial year ended March 31, 2024 consisting of proceeds from long term borrowings of ₹913.56 lakhs, proceeds from issue of shares of ₹159.88 lakhs, transaction in NCI of ₹3.67 Lakhs and finance cost of ₹ 120.23 lakhs.

***For the year ended March 31, 2023***

Net cash generated from financing activities was ₹1,041.88 lakhs for the financial year ended March 31, 2023 consisting of proceeds from long term borrowings of ₹825.38 lakhs, receipt of loans & advances of ₹1.51 lakhs, proceeds from issue of shares of ₹245.70 Lakhs and finance cost of ₹ 30.71 lakhs.

***For the year ended March 31, 2022***

Net cash generated from financing activities was ₹73.39 lakhs for the financial year ended March 31, 2022 consisting of receipt of loans & advances of ₹28.89 lakhs, receipt from Share Application Money Pending Allotment ₹240.30 Lakhs and repayment of borrowings of ₹195.80 Lakhs.

**Financial Indebtedness**

As on August 15, 2024 the total outstanding borrowings of our Company was ₹ 1,016.56 Lakhs. The following table sets out the details of the total borrowings outstanding as on August 15, 2024

<b>(₹ in Lakhs)</b>	
<b>Particulars</b>	<b>As at August 15, 2024</b>
<b>Secured</b>	
Term Loan	797.33
Working Capital Facilities- Cash Credit	107.12
Vehicle and asset Loan	106.11
<b>Unsecured</b>	
Loan from Related Parties/Others	6.00

In the event, any of our lenders declare an event of default, such current and any future defaults could lead to acceleration of our repayment obligations, termination of one or more of our financing agreements or force us to sell our assets, any of which could adversely affect our business, results of operations and financial condition.

**Contingent Liabilities**

The following table sets forth our contingent liabilities as at March 31, 2024, March 31, 2023 and March 31, 2022 as per the Restated Financial Information:

<b>Particulars</b>	<b>As at 31<sup>st</sup> March 2024</b>	<b>As at 31<sup>st</sup> March 2023</b>	<b>As at 31<sup>st</sup> March 2022</b>
(i)Contingent Liabilities			

Particulars	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022
(a) Claims against the company not acknowledged as debt	-	-	-

### Off-Balance Sheet Items

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

### Effect of Inflation

We are affected by inflation as it has an impact on the material cost, wages, etc. in line with changing inflation rates; we rework our margins so as to absorb the inflationary impact.

### Reservations, Qualifications and Adverse Remarks

Except as disclosed in chapter titled “*Restated Financial Information*” on page 179, there have been no reservations, qualifications and adverse remarks.

### Material Frauds

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last three Financial Years.

### Information required as per Item 11 (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:

#### 1. Unusual or infrequent events or transactions

As on date, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

#### 2. Significant economic changes that materially affected or are likely to affect income from continuing operations.

Indian rules and regulations as well as the overall growth of the Indian economy have a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations. There are no significant economic changes that materially affected our Company’s operations or are likely to affect income from continuing operations except as described in chapter titled “*Risk Factors*” on page 29.

#### 3. Income and Sales on account of major product/main activities

The company is engaged primarily in business of manufacturing of customised products in different grades of ferrous metallurgical products.

#### 4. Whether the Company has followed any unorthodox procedure for recording sales and revenues

Our Company has not followed any unorthodox procedure for recording sales and revenues.

#### 5. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.

Other than as described in the section titled “*Risk Factors*” on page 29 and in this chapter, to our knowledge there are no known trends or uncertainties that are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

**6. Extent to which material increases in net sales or revenue are due to increase in sales**

Our business has been affected and we expect that it will continue to be affected by the trends identified above and the uncertainties described in the section “*Risk Factors*” on page 29. Changes in revenue in the last three Financial Years are as described in “*Results of Operations Information for the Financial Year ended March 31, 2024 compared with Financial Year ended March 31, 2023*” and “*Results of Operations Information for the Financial Year ended March 31, 2023 compared with Financial Year ended March 31, 2022*” mentioned above.

**7. Status of any publicly announced new products or business segment.**

As on the date of the Draft Red Herring Prospectus, there are no new products or business segments that have or are expected to have a material impact on our business prospects, results of operations or financial condition.

**8. The extent to which business is seasonal.**

Our Company’s business is not seasonal.

**9. Competitive conditions.**

Competitive conditions are as described under the chapters titled “*Industry Overview*” and “*Business Overview*” beginning on pages 121 and 128, respectively of this Draft Red Herring Prospectus.

**10. Future Changes in Relationship between Costs and Revenues, in Case of Events Such as Future Increase in Labour or Material Costs or Prices that will Cause a Material Change are known**

Other than as described in chapter titled “*Risk Factors*” on page 29 and in this section, to our knowledge there are no known factors that might affect the future relationship between cost and revenue.

**11. Significant Dependence on Single or Few customers**

Sr.No	Particulars	FY23-24		FY22-23		FY21-22	
		Revenue	%	Revenue	%	Revenue	%
1	Revenue from Top 5 Customers	3,981.83	84.31	1,382.37	85.17	437.76	95.40
2	Revenue from Top 10 Customers	4,456.45	94.36	1,544.72	95.17	458.76	99.94

As certified by M/s Bagaria & Co LLP, Chartered Accountants vide certificate dated September 13, 2024

## SECTION VI – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no outstanding: (a) criminal proceedings; (b) actions by statutory or regulatory authorities; (c) claims relating to direct and indirect taxes; or (d) Material Litigation (as defined below); involving our Company, its Directors, the Promoters and the Group Companies ("**Relevant Parties**"). Further, there are no disciplinary actions (including penalties) imposed by SEBI or the Stock Exchanges against our Promoters in the last five (5) FYs, including any outstanding action.*

*For the purpose of material litigation in (d) above, our Board in its meeting held on July 30, 2024 has considered and adopted the following policy on materiality for identification of material outstanding litigation involving the Relevant Parties ("**Materiality Policy**"). In accordance with the Materiality Policy, all outstanding litigation, including any litigation involving the Relevant Parties, other than criminal proceedings and actions by regulatory authorities and statutory authorities, will be considered material if: (i) if the aggregate amount involved exceeds 5 % of the profit after tax as per the latest Fiscal in Restated Financial Statements; or (ii) are outstanding litigations whose outcome could have a material impact on the business, operations, prospects or reputation of the Company; or (iii) the decision in one case is likely to affect the decision in similar cases such that the cumulative amount involved in such cases exceeds the Materiality Threshold, even though the amount involved in an individual litigation may not exceed the Materiality Threshold.*

*It is clarified that for the above purposes, pre-litigation notices received by Relevant Parties, unless otherwise decided by our Board, are not evaluated for materiality until such time that the Relevant Parties are impleaded as defendants in litigation proceedings before any judicial forum.*

*Except as stated in this Section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has considered and adopted a policy of materiality for identification of material outstanding dues to creditors by way of its resolution dated July 30, 2024. In terms of the materiality policy, creditors of our Company to whom amounts outstanding dues to any creditor of our Company exceeding 10% of trade payables as per the Restated Financial Statements of our Company disclosed in this Draft Red Herring Prospectus, would be considered as material creditors. The trade payables of our Company as on March 31, 2024, were Nil lakhs. Details of outstanding dues to micro, small and medium enterprises and other creditors separately giving details of number of cases and amount involved, shall be uploaded and disclosed on the website of the Company as required under the SEBI ICDR Regulations.*

*For outstanding dues to any micro, small or medium enterprise, the disclosure shall be based on information available with our Company regarding the status of the creditor as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as amended, read with the rules and notification thereunder, as amended, as has been relied upon by the Statutory Auditors.*

*Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.*

*All terms defined in a particular litigation disclosure pertains to that litigation only.*

#### **I. Litigation involving our Company**

##### **A. Litigation filed against our Company**

#### **1. Criminal proceedings**

Nil

#### **2. Outstanding actions by regulatory and statutory authorities**

Nil

**3. Material civil proceedings**

Nil

**B. Litigation filed by our Company**

**1. Criminal proceedings**

Nil.

**2. Material civil proceedings**

Nil.

**C. Tax proceedings**

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (in Rs. lakhs)
Direct Tax	1*	0.3
Indirect Tax	1#	3.97
Total	2	4.27

\*Includes TDS Traces for F.Y. 2022-2023, amounting to Rs. 29,940.

#Includes GST appeal filed by the Company amounting to Rs3,97,192

**II. Litigation involving our Directors (other than Promoters)**

**A. Litigation filed against our Directors (other than Promoters)**

**1. Criminal proceedings**

Nil.

**2. Outstanding actions by regulatory and statutory authorities**

Nil.

**3. Material civil proceedings**

Nil.

**B. Litigation filed by our Directors (other than Promoters)**

**1. Criminal proceedings**

Nil

**2. Material civil proceedings**

Nil

**C. Tax proceedings**

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (in Rs. lakhs)
Direct Tax	Nil	Nil
Indirect Tax	Nil	Nil

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (in Rs. lakhs)
Total	Nil	Nil

### III. Litigation involving our Promoters

#### A. Litigation filed against our Promoters

##### 1. Criminal proceedings

Nil

##### 2. Outstanding actions by regulatory and statutory authorities

Nil

##### 3. Material civil proceedings

Nil.

#### B. Litigation filed by our Promoters

##### 1. Criminal proceedings

Nil.

##### 2. Material civil proceedings

Nil.

#### C. Tax proceedings [

Particulars	Number of cases	Aggregate amount involved to the extent ascertainable (in Rs. lakhs)
Direct Tax	1	0.06
Indirect Tax	Nil	Nil
Total	1	0.06

\*Includes outstanding demand of Subodh Lohia for Assessment Year 2022, amounting to Rs.6,192

### IV. Material Litigations involving our Subsidiary

#### A. Litigation filed against our Subsidiary

##### 1. Criminal proceedings

Nil.

##### 2. Outstanding actions by regulatory and statutory authorities

Nil.

##### 3. Material civil proceedings

Nil.

#### B. Litigation filed by our Subsidiary

##### 1. Criminal proceedings

Nil.

**2. Material civil proceedings**

Nil.

**C. Tax proceedings**

<b>Particulars</b>	<b>Number of cases</b>	<b>Aggregate amount involved to the extent ascertainable (in Rs. lakhs)</b>	
Direct Tax	Nil		Nil
Indirect Tax	Nil		Nil
<b>Total</b>	<b>Nil</b>		<b>Nil</b>

**Outstanding dues to creditors**

As per the Restated Financial Statements, 10 % of our trade payables as at March 31, 2024, was Nil.

Based on this criterion, details of outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under Section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), material creditors and other creditors, as at March 31, 2024, by our Company, are set out below:

<b>Type of creditors</b>	<b>Number of creditors</b>	<b>Amount involved (in Rs. lakhs)</b>	
Material creditors	Nil		Nil
Micro, Small and Medium Enterprises	Nil		Nil
Other creditors	Nil		Nil
<b>Total*</b>	<b>Nil</b>		<b>Nil</b>

The details pertaining to net outstanding dues towards our material creditors are available on the website of our Company at [www.neetuyoshi.com](http://www.neetuyoshi.com)

Information provided on the website of our Company is not a part of this Draft Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, would be doing so at its own risk.

Material Developments

Other than as stated in the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Developments after March 31, 2024" on beginning on page 259 of this Draft Red Herring Prospectus, there have not arisen, since the date of the last financial information disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect, or are likely to affect, our operations, our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.



## GOVERNMENT AND OTHER APPROVALS

We have set out below an indicative list of approvals obtained by our Company which are considered material and necessary for the purpose of undertaking its business activities. In view of these key approvals, our Company can undertake this Issue and its business activities. In addition, certain of our key approvals may expire in the ordinary course of business and our Company will make applications to the appropriate authorities for renewal of such key approvals, as necessary. Unless otherwise stated herein and in the section “**Risk Factors**” beginning on page 29 of this Draft Red Herring Prospectus, these material approvals are valid as of the date of this Draft Red Herring Prospectus. For details in connection with the regulatory and legal framework within which we operate, see “**Key Regulations and Policies**” on page 149 of this Draft Red Herring Prospectus.

We have also set out below, (i) material approvals or renewals applied for but not received; (ii) material approvals expired and renewal yet to be applied for; and (iii) material approvals required but not obtained or applied for, as on the date of this Draft Red Herring Prospectus.

Please note that since our Company has recently changed its name and is converted into a public limited company, the below detailed licenses, approval and certification are in the erstwhile name of the Company and the Company undertakes to get such licenses, approval and certification in its present name.

### I. Material approvals obtained in relation to the Issue

- a. The Board of Directors has, pursuant to a resolution passed at its meeting held on July 30, 2024, authorized the Issue, subject to the approval of the shareholders of the Company under Section 62 of the Companies Act, 2013 and approvals by such other authorities, as may be necessary.
- b. The shareholders of the Company have, pursuant to a special resolution passed in the shareholders meeting held on August 3, 2024, authorized the Issue under Section 62 of the Companies Act, 2013, subject to approvals by such other authorities, as may be necessary.
- c. The Company has obtained the in-principle listing approval from the BSE SME, dated [●].

### II. Material approvals obtained in relation to our business and operations

Our Company have obtained the following material approvals to carry on our business and operations. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

#### A. Incorporation details of our Company

- a. Our Company was originally incorporated as a private limited company in the name of “Neetu Yoshi Private Limited” vide Certificate of Incorporation dated January 20, 2020 issued by the Registrar of Companies, Uttarakhand.
- b. Fresh Certificate of Incorporation dated May 18, 2024 issued to our Company by the RoC, pursuant to the conversion of our Company from private limited to public limited and the ensuing change in the name of our Company from “Neetu Yoshi Private Limited” to “Neetu Yoshi Limited”.

#### B. Tax related approvals obtained by our Company

Sr. No.	Nature of Registration/ License	Registration / License No.	Issuing Authority	Date of Issue/Update/Renewal	Date of Expiry
1.	Permanent Account Number (PAN)	AAGCN8459D	Income Tax Department	January 20, 2020	Valid till cancelled
2.	Deduction Account Number (TAN)	MRTN04545C	Income Tax Department	January 20, 2020	Valid till cancelled
3.	GST Registration	05AAGCN8459D2ZB	Goods and	November 2, 2022	Valid till

Sr. No.	Nature of Registration/ License	Registration / License No.	Issuing Authority	Date of Issue/Update/Renewal	Date of Expiry
	Certificate		Services Tax Department		cancelled

**C. Regulatory approvals for our Company:**

Sr. No.	Nature of Registration/ License	Registration/Lic ense/Certificate No.	Issuing Authority	Date of Issue/ Update/ Renewal	Date of Expiry
1.	Provident Fund Code Number	UKDDN3047669 000	Employees' Provident Fund Organisation, Ministry of Labour and Employment, Government of India	August 22, 2023	Valid till cancelled
2.	ESIC – Registration Code	61000598190000 699	Employees' State Insurance Corporation, Ministry of Labour and Employment, Government of India	August 22, 2023	Valid till cancelled
3.	Certificate of Importer – Exporter Code	AAGCN8459D	Ministry of Commerce and Industry	March 4, 2022	Valid till cancelled
4.	UDYAM Registration Certificate	UDYAM-UK-06-0003404	Ministry of Micro, Small and Medium Enterprises, Government of India	February 23, 2021	Valid till cancelled
5.	ISO 9001:2015 - Quality Management System Standard	IN121557A	LMS Certifications Private Limited	March 25, 2023	March 24, 2026
6.	ISO 14001:2015 - Environmental Management System Standard	IN121557B	LMS Certifications Private Limited	March 25, 2023	March 24, 2026
7.	ISO 45001:2018 - Occupational Health & Safety Management Standard	IN121557C-1	LMS Certifications Private Limited	March 25, 2023	March 24, 2026

**Regulatory approvals and quality certifications**

Sr. No.	Nature of Registration/ License	Registration/Lic ense/Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
1.	Factory License	HWR-1670	Labour Department, Uttarakhand	October 3, 2023	December 31, 2024
2.	Consent to Establish	36844	Pollution Control Board, Uttar Pradesh	May 6, 2023	May 5, 2028
3.	Registered as Class "A" Foundry	W/I&L/D/Quality Audit/Neetu Yoshi/Class A Foundry	Ministry of Railway	March, 2024	March 2, 2025
4.	RDSO Registration Certificate	RDSO/108/1901 /00040726	Ministry of Railways, Government of India	January 1, 2024	Valid till cancelled
5.	RDSO	RDSO/108/1901	Ministry of	January 31,	Valid till

Sr. No.	Nature of Registration/License	Registration/License/Certificate No.	Issuing Authority	Date of Issue	Date of Expiry
	Registration Certificate	/00041870	Railways, Government of India	2024	cancelled
6.	RDSO Registration Certificate	RDSO/108/1902 /00040596	Ministry of Railways, Government of India	December 26, 2023	Valid till cancelled
7.	Legal Metrology	105916	Office of the controller Legal Metrology	September 9, 2024	September 10, 2025

**III. Material approvals or renewals for which applications are currently pending before relevant authorities**

Sr. No..	Nature of Registrations/License	Application Number	Date of Application
1.	Consolidated consent & authorization under water Act, 1974 Air Act, 1981 & authorization under the hazardous and other waste (Management and Transboundary Movement) Rules, 2016	4010385	March 25, 2023
2.	Fire NOC	D-PO-203-2024	September 6, 2024

**IV. Material approvals expired and renewal yet to be applied for**

Nil

**V. Material approvals required but not obtained or applied for**

Nil

**VI. Intellectual Property**

As on the date of the Draft Red Herring Prospectus, our Company has made application for registering our logo trademark.

Date of Application	Trademark	Application No
June 25, 2024		6496781
June 25, 2024		6496778
June 25, 2024		6496782

Date of Application	Trademark	Application No
June 25, 2024		6496779
June 25, 2024		6496783
June 25, 2024		6496780

For risk associated with our intellectual property please see, “*Risk Factors*” on page 29.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

The Issue has been authorized by the board of directors by passing a resolution in the Board Meeting dated July 30, 2024, and the Issue has been authorized by the members by passing a special resolution in the Extra-ordinary General Meeting, dated August 3, 2024

This Draft Red Herring Prospectus has been approved by our Board pursuant to its resolution passed on September 17, 2024.

Our Company has received in-principle approvals from BSE SME for the listing of the Equity Shares pursuant to its letter dated [●].

### 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 and have not been 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 Promoters and Directors 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.

Our Promoters and our Directors have not been declared as Fugitive Economic Offenders under section 12 of Fugitive Economic Offenders Act, 2018.

### Prohibition by RBI

Neither our Company, our Subsidiary, our Promoters, our Directors, the relatives (as defined under the Companies Act, 2013) of Promoters have been identified as a wilful defaulter or a fraudulent borrower by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter "*Outstanding Litigations and Material Development*" on page 287.

### Association with Securities Market

None of our Directors in any manner are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our directors are associated as promoters or directors.

### Confirmation under Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Directors, our Promoters and members of Promoter Group are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Draft Red Herring Prospectus.

### Eligibility for the Issue

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:

- Neither our Company, nor our Promoters, promoter group nor directors are debarred from accessing the capital market by the Board.
- Neither our Promoters, nor any directors of our Company is a promoter or director of any other company which is debarred from accessing the capital market by the Board.
- Neither our Company, nor our Promoters, Promoter Group nor our directors, are Willful Defaulters or a Fraudulent Borrower.
- Neither our Promoters nor any of our directors is declared as Fugitive Economic Offender.

- Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue face value paid-up capital is more than ten (10) crores and upto twenty-five (25) crore rupees and can issue Equity Shares to the public and propose to list the same on the SME Platform of BSE Limited.

We further confirm that:

- In accordance with Regulation 260 of the SEBI ICDR Regulations, this issue is 100% underwritten and that the Book Running Lead Manager shall underwrite minimum 15% of the Issue Size.
- In accordance with Regulation 268 of the SEBI ICDR Regulations, we shall ensure that the total number of proposed Allottee's in the issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded within 4 (four) days of such intimation. If such money is not repaid within 4 (four) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 4 (four) days, be liable to repay such application money, with interest at the rate 15% per annum. Further, in accordance with Section 40 of the Companies Act, 2013, our Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
- In terms of Regulation 246(1) of the SEBI ICDR Regulations, 2018, a copy of the prospectus will be filed with the SEBI through the BRLM immediately upon filing of the offer document with the Registrar of Companies.

However, as per Regulation 246(2) of the SEBI ICDR Regulations, 2018, The SEBI shall not issue any observation on the offer document.

Further, in terms of Regulation 246(3) of the SEBI ICDR Regulations, 2018 the Book Running Lead Manager will also submit a due diligence certificate as per format prescribed by SEBI along with the prospectus to SEBI.

Further, in terms of Regulation 246(4) of the SEBI (ICDR) Regulations, 2018 the prospectus will be displayed from the date of filling in terms of sub-regulation (1) on the website of the SEBI, The Book Running Lead Manager and the BSE SME. Moreover, in terms of Regulation 246(5) of the SEBI (ICDR) Regulations, 2018, a copy of prospectus shall also be furnished to the SEBI in a soft copy.

- In accordance with Regulation 261 of the SEBI (ICDR) Regulations, 2018 we hereby confirm that we have entered into an agreement dated [●] with the Book Running Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the BSE SME .

**We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.**

Our Company is eligible for to make an initial public offer in accordance with Regulation 229(1) and other provisions of Chapter IX of the SEBI ICDR Regulations. Further, in terms of Regulation 229(3) of the SEBI ICDR Regulations, the Company have fulfilled the eligibility criteria for SME Platform of BSE Limited, which are as follows:

- The Company was incorporated in India on January 20, 2020 with the Registrar of Companies, Uttarakhand under Companies Act, 2013 and has track record of minimum period of 3 years.
- The Company has a total paid up share capital of ₹ 1,427.03 lakhs comprising 2,85,40,600 Equity Shares of face value of ₹ 5 each and the Post Issue Capital will be below ₹ 2,500.00 lakhs.
- The Company has Net Tangible Assets of ₹ 1979.39 lakhs which is more than ₹ 300.00 Lakhs.
- The Company has positive cash accruals (earnings before depreciation and tax) from operations in latest FY and also in 2 FYs out of latest 3 FYs. As per the Restated Consolidated Financial Statements, the EBITDA for March 31, 2024, March 31, 2023 and March 31, 2022 was ₹ 1,706.62 lakhs, ₹ 110.80 lakhs and ₹ 13.35 lakhs respectively.

- (e) The leverage ratio of the Company is 0.88 as on March 31, 2024 which is less than 3:1
- (f) The Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR) or NCLT.
- (g) There is no winding-up petition against the Company, which has been admitted by a Court of competent jurisdiction or a liquidator has not been appointed.
- (h) There has been no change in the Promoter(s) of the Company in the preceding one year from date of filing application to BSE for listing on BSE SME.
- (i) The Company has facilitated trading in demat securities and has entered into an agreement with both the depositories.
- (j) There has been no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the Company.
- (k) As per the Restated Consolidated Financial Statements, the net-worth (excluding revaluation reserves) of the Company is ₹ 1979.39 lakhs as at March 31, 2024 and ₹557.46 Lakhs as on March 31, 2023, which is higher than ₹100.00 lakhs.
- (l) The Company has a website [www.neetuyoshi.com](http://www.neetuyoshi.com).

We further confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of BSE Limited.

As per Regulation 230 (1) of the SEBI ICDR Regulations, our Company has ensured that:

- The Draft Red Herring Prospectus has been filed with BSE SME and our Company will make an application to SME Platform of BSE Limited for listing of its Equity Shares on the SME Platform of BSE Limited. The BSE Limited is the Designated Stock Exchange.
- Our Company has entered into an agreement dated April 5, 2024, with NSDL and agreement dated April 5, 2024 with CDSL for dematerialisation of its Equity Shares already issued and proposed to be issued.
- The entire pre-Issue capital of our Company has fully paid-up Equity Shares and the Equity Shares proposed to be issued pursuant to this IPO will be fully paid-up.
- The entire Equity Shares held by the Promoter is in dematerialised form.
- The entire fund requirements are to be financed from the Net Fresh Issue Proceeds, and there is no requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the Issue. For further details, please refer the chapter titled “*Objects of the Issue*” beginning on page 80.

Our Company confirms that it will ensure compliance with the conditions specified in Regulation 230 (1) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Issue in terms of Regulation 228 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 228 of the SEBI ICDR Regulations are as follows:

- (a) Neither our Company nor our Promoter, members of our Promoter Group or our Directors are debarred from accessing the capital markets by the SEBI.
- (b) None of our Promoter or Directors are promoter or directors of any other companies which are debarred from accessing the capital markets by the SEBI.
- (c) Neither our Company nor our Promoter or Directors is a Wilful Defaulter or Fraudulent Borrower.
- (d) None of our Promoter or Directors is a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

We further confirm that we shall be complying with all other requirements as laid down for such Issue under Chapter IX of SEBI ICDR Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

**Other Disclosures:**

We further confirm that: There is no material regulatory or disciplinary action taken by a stock exchange or

regulatory authority in the past one year in respect of our Promoters.

- There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our Company and Promoters during the past three years.
- There are no litigations record against our Company, Promoters, Directors and Subsidiaries except disclosed on page 287 in section "*Outstanding Litigation and Other Material Developments*".
- There are no criminal cases/investigation/offences filed against the director of our Company.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT RED HERRING PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, HORIZON MANAGEMENT PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN ON FORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, HORIZON MANAGEMENT PRIVATE LIMITED HAVE FURNISHED A DUE DILIGENCE CERTIFICATE DATED [●] IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018**

**THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.**

All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the RoC, Uttarakhand including in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Issue will be complied with at the time of filing of the Prospectus with the RoC, Uttarakhand including in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act.

#### **Disclaimer from our Company and the Book Running Lead Manager**

Our Company, our Promoters, our Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our website, [www.neetuyoshi.com](http://www.neetuyoshi.com) would be doing so at his or her own risk.

The Book Running Lead Manager accept no responsibility, save to the limited extent as provided in the Issue Agreement entered between the Book Running Lead Manager and our Company on September 17, 2024 and the



Underwriting Agreement dated [●] entered into between the Underwriters and our Company and the Market Making Agreement dated [●] entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Book Running Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere. Neither our Company nor any member of the Syndicate shall be liable to the Bidders for any failure in uploading the Bids, due to faults in any software or hardware system, or otherwise; the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or noncompliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism.

The Book Running Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our subsidiary, our Promoter Group, Group Entities, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

#### **Disclaimer in respect of jurisdiction**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in equity shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), trusts under the applicable trust laws and who are authorized under their respective constitutions to hold and invest in equity shares, public financial institutions as specified under Section 2(72) of the Companies Act 2013, state industrial development corporations, provident funds (subject to applicable law), National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI, systemically important NBFCs registered with the RBI, venture capital funds, permitted insurance companies and pension funds, permitted non-residents including Eligible NRIs, AIFs, FPIs registered with SEBI and QIBs. This Draft Red Herring Prospectus does not, however, constitute an issue to sell or an invitation to subscribe to Equity Shares offered hereby, in any jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) at Uttarakhand, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

**The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.**

Applicants are advised to ensure that any Applications from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Applicant where required must agree in the Allotment Advice that such Applicants will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

### **Disclaimer Clause of the BSE SME**

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE Limited. The disclaimer clause as intimated by BSE Limited to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus / Prospectus prior to the filing with the RoC, Uttarakhand.

### **Disclaimer Clause under the U.S. Securities Act, 1933**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “**Securities Act**”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “**U.S. persons**” (as defined in Regulations of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in compliance with Regulations under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant, wherever requires, agrees that such applicant will not sell or transfer any Equity Share or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India

### **Filing**

This Draft Red Herring Prospectus is being filed with the BSE SME of India Limited, where the Equity Shares are proposed to be listed. BSE SME is located at Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India..

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

A copy of the Red Herring Prospectus/Prospectus, along with the material contracts and documents required to be filed under Section 26 of the Companies Act, 2013 would be filed with the ROC office situated at Mezzanine, Floor 78, Rajpur Road, Office No. 259, Shri Radha Palace, Dehradun The Mall, PIN-248001, Uttarakhand through the electronic portal at <http://www.mca.gov.in/mcafoportal/loginvalidateuser.do>.

### **Listing**

Application will be made to the BSE SME for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

Our Company has received an In-principle Approval letter dated [●] from BSE for using its name in this Issue Document for listing our shares on the BSE.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the BSE SME, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Prospectus. If such money is not repaid within four days after our Company becomes liable to repay it (i.e. from

the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of fourth days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the BSE SME mentioned above are taken within such period from the Issue Closing Date as may be required under the applicable laws.

### **Consents**

Consents in writing of (a) our Directors, our Promoters, our Company Secretary & Compliance Officer, our Chief Financial Officer, our Statutory Auditor, Banker(s) to the Company, Independent Chartered Accountant; (b) Book Running Lead Manager, Registrar to the Issue, Banker(s) to the Issue\*, Legal Counsel to the Issue, Underwriter(s) to the Issue\*, Market Maker to the Issue\* and Syndicate Members\* to act in their respective capacities have been obtained as required under section 26 of the Companies Act, 2013 and shall be filed along with a copy of the Red Herring Prospectus/ Prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

\* The consents will be taken while registering the Red Herring Prospectus / Prospectus with ROC.

### **Experts**

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

Our Company has received written consent dated September 13, 2024 from Bagaria & Co. LLP., Chartered Accountants, the Peer Reviewed Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Peer Reviewed Auditor and in respect of its (i) examination report dated August 28, 2024 on our restated financial information; and (ii) its report dated September 13, 2024 on the statement of special tax benefits in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

The term “experts” and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act

### **Impersonation**

**Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:**

*“Any person who-*

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable to action under section 447 of the Companies, Act 2013*

The liability prescribed under Section 447 of the Companies Act, 2013 - any person who is found to be guilty of fraud involving an amount of at least ten lakh rupees or one per cent. of the turnover of the company, whichever is lower shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud.

Provided further that where the fraud involves an amount less than ten lakh rupees or one per cent. of the turnover

of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to fifty lakh rupees or with both.

**Particulars regarding Public or Rights Issues during the last five (5) years and performance vis-à-vis objects**

Our Company has not made any previous public during the last five (5) years preceding the date of this Draft Red Herring Prospectus, further for details in relation to right issue made by our Company during the five years preceding the date of this Draft Red Herring Prospectus, please refer to section titled "*Capital Structure*" on page 71.

**Performance vis-à-vis objects – issue of subsidiaries/ listed promoters**

As on date of this Draft Red Herring Prospectus, our Company does not have any listed subsidiaries. Further, as on date of this Draft Red Herring Prospectus, our Company does not have any corporate promoters.

**Previous issues of Equity Shares otherwise than for cash**

Other than as disclosed in the section titled "*Capital Structure*" on page 71, our Company has not undertaken a capital issue in the last three years preceding the date of this Draft Red Herring Prospectus.

**Underwriting Commission, brokerage and selling commission on Previous Issues**

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

**Performance vis-à-vis objects –Public/ rights issue of the listed subsidiaries/listed Promoter of our Company**

Our Promoters, Promoter Group, Group Company or any subsidiary company has not undertaken any previous public or right issue during the period of last five years.

**Outstanding Debentures or Bond Issues or Redeemable Preference Shares and other instruments**

Our Company does not have any outstanding debentures or bonds or preference redeemable shares as on the date of filing this Draft Red Herring Prospectus.

**Partly Paid-up Shares**

As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

**Outstanding Convertible Instruments**

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

**Option to Subscribe**

Equity Shares being offered through the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus can be applied for in dematerialized form only.

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**PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUED HANDLED BY THE BRLM:**

**SME:**

Price Information of past issues handled by the Book Running Lead Manager

**Price Information of past issues handled by the Book Running Lead Manager**

Price Information of past issues handled by the Book Running Lead Manager

Sr. No.	Issue Name	Issue size (₹ In Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing*	
1.	Cosmic CRF Limited	57.21	314	June 30, 2023	251.20	-17.17%	2.80%	-21.66%	1.71%	95.86%	11.31%
2.	Baba Food Processing (India) Limited	32.88	76	November 15, 2023	76.00	-11.58	7.66%	-27.04%	12.31%	-32.57%	21.94%
3.	MVK Agro Food Product Ltd	65.88	120	March 7, 2024	79.00	-56%	0%	-66%	3%	79	-56%
4.	Shree Karni Fabcom Limited	42.49	227	March 14, 2024	260.00	101%	2%	207%	5%	260	101%

Sr. No.	Issue Name	Issue size (₹ In Cr.)	Issue Price (₹)	Listing date	Opening price on listing date	+/- % change in Price on closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing*		+/- % change in Price on closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing*	
5.	Veritaas Advertising Limited	8.48	114	May 21, 2024	275.00	-46.91%	8.45%	NA	NA	NA	NA
6.	Tunwal E-Motors Limited	124.12	59	July 23, 2024	64.00	-22.50%	3.27%	NA	NA	NA	NA
7.	Forcas Studio Limited	37.44	80	August 26, 2024	152.00	NA	NA	NA	NA	NA	NA

#### Summary Statement of Disclosure

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount - 30 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at premium - 30 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at discount - 180 <sup>th</sup> calendar day from listing day*			Nos. of IPOs trading at premium - 180 <sup>th</sup> calendar day from listing day*		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2023-24	4	198.46	Nil	Nil	2	Nil	1	Nil	Nil	Nil	Nil	1	Nil	Nil
2024-25	3	170.04	Nil	Nil	2	Nil	Nil	Nil	-	-	-	-	-	-

Break -up of past issues handled by Horizon Management Private Limited:

Financial Year	No. of SME IPOs	No. of Main Board IPOs
2023-24	4	Nil
2024-25	3	Nil

Notes:

1. In the event any day falls on a holiday, the price/index of the immediate preceding working day has been considered. If the stock was not traded on the said calendar days from the date of listing, the share price is taken of the immediately preceding trading day.
2. Source: www.bseindia.com and www.nseindia.com

For details regarding the track record of the Book Running Lead Manager, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please see the website of the Book Running Lead Manager as set forth in the table below:

Sr. No.	Name of the Book Running Lead Manager	Website
1	Horizon Management Private Limited	<a href="http://www.horizonmanagement.in">www.horizonmanagement.in</a>

#### Main Board:

Horizon Management Private Limited has not managed any Public Issue on Main Board.

### **Stock market data of the Equity Shares**

As the Issue is the initial public offering of the Equity Shares, the Equity Shares are not listed on any stock exchange as on the date of this Draft Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

### **Mechanism for Redressal of Investor Grievances**

The Agreement amongst the Registrar to the Issue, our Company provides for retention of records with the Registrar to the Issue for a period of at least eight (8) year from the last date of dispatch of the letters of allotment, or refund orders, demat credit or where refunds are being made electronically, giving of refund instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there are no investor complaints received during the three years preceding the filing of Draft Red Herring Prospectus. Since there are no investor complaints received, none are pending as on the date of filing of this Draft Red Herring Prospectus.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection centre where the application was submitted.

The Applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned herein above.

### **Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has also constituted a Stakeholders Relationship Committee to review and redress the grievances of our security holders. For further details on the Stakeholders Relationship Committee, please refer to section titled "**Our Management**" on page 160.

The Company Secretary of our Company shall serve as the secretary of the Stakeholders' Relationship Committee.

**Our Company has appointed Pranjul Gupta, Company Secretary and the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:**

#### **Pranjul Gupta**

**Address:** 2/155, Jakhan, Rajpur Road,  
Dehradun, Uttarakhand - 248001

**Telephone:** 9258199664

**E-mail id:** cs@pranjulguptaneetuyoshi.com

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 08, 2011, SEBI has launched a centralized web-based complaints redress system "**SCORES**". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to



visit the website [www.scores.gov.in](http://www.scores.gov.in).

Our Company shall obtain authentication on the SCORES in terms of the SEBI circular bearing number CIR/OIAE/1/2013 dated April 17, 2013 read with SEBI circular SEBI/HO/OIAE/IGRD/CIR/P/2019/86 dated August 2, 2019, SEBI circular bearing number SEBI/HO/OIAE/IGRD/CIR/P/2021/642 dated October 14, 2021 and SEBI Circular SEBI/HO/OIAE/IGRD/P/CIR/2022/0150 dated November 7, 2022 and shall comply with the SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014 in relation to redressal of investor grievances.

#### **Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus and hence there are no pending investor complaints as on the date of this Draft Red Herring Prospectus.

#### **Other confirmations**

Any person connected with the Issue shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any person for making an application in the Issue, except for fees or commission for services rendered in relation to the Issue.

#### **Exemption from complying with any provisions of securities laws, if any, granted by SEBI**

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

## SECTION VII – ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

The Equity Shares being Issued are subject to the provisions of the Companies Act 2013, SCRA, SCRR, SEBI ICDR Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, Application Form, any Confirmation of Allocation Note (“CAN”), the Revision Form, Allotment advices, and other terms and conditions as may be incorporated in the Allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RoC, the RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, RBI, the GoI, the Stock Exchange, the RoC and/or any other authorities while granting its approval for the Issue.

Please note that in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors (except Anchor Investors) applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Further, vide the said circular, Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

#### Authority for the Issue

The present Public Issue of up to 1,10,00,000 Equity Shares has been authorized by a resolution of the Board of Directors of our Company at their meeting held on July 30, 2024 and was approved by the Shareholders of the Company by passing Special Resolution at the Extraordinary General Meeting held on August 3, 2024 in accordance with the provisions of Section 62(1)(c) of the Companies Act, 2013.

*\* Subject to finalisation of Basis of Allotment*

#### Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our MOA and AOA and shall rank *pari-passu* in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, see, “**Main Provisions of Article of Association**” on page 357

#### Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI Listing Regulations, 2015 and any other rules, regulations or guidelines as may be issued by the Government of India in connection thereto and as per the recommendation by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act and our Articles of Association. Further Interim Dividend (if any declared) will be approved by the Board of Directors. For further details, see “**Dividend Policy**” and “**Main Provisions of Article of Association**” on page 178 and 357 respectively.

### **Face Value, Issue Price & Price Band**

The face value of each Equity Share is ₹ 5/- and the Issue Price at the lower end of the Price Band is ₹[●] per Equity Share (“**Floor Price**”) and at the higher end of the Price Band is ₹ [●] per Equity Share (“**Cap Price**”). The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot size will be decided by our Company in consultation with the BRLM, and will be advertised, at least 2 (two) Working Days prior to the Bid/ Issue Opening Date, in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) Hindi being regional language of Utrakhand, where our Registered Office is situated) and shall be made available to the Stock Exchange for the purpose of uploading on its website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre filled in the Bid cum Application Forms available on the website of the Stock Exchange. The Issue Price shall be determined by our Company and in consultation with the BRLM, after the Bid/ Issue Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

### **Compliance with SEBI (ICDR) Regulations, 2018**

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy and e-voting, in accordance with the provisions of the Companies Act, 2013;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable laws; and
- Such other rights, as may be available to a shareholder of a listed Public Limited Company under the Companies Act, terms of the SEBI Listing Regulations, MOA and AOA of our Company.

For a detailed description of the main provision of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, etc., see “**Main Provisions of the Articles of Association**” on page 357.

### **Allotment only in Dematerialized Form**

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI ICDR Regulations, SEBI Listing Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. In this context, our Company has entered into the following agreements with the respective Depositories and Registrar to the Issue:

In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated April 5, 2024 between CDSL, our Company and the Registrar to the Issue.
- Tripartite Agreement dated April 5, 2024 between NSDL, our Company and the Registrar to the Issue

As per the provisions of the Depositories Act, 1996 and the regulations made under and Section 29(1) of the Companies Act, 2013 the Equity Shares to be allotted must be in Dematerialized form i.e. not in the form of physical certificates but be fungible and be represented by the statement issued through electronic mode. Hence, the Equity Shares being offered can be applied for in the dematerialized form only.

### **Minimum Application Value, Market Lot and Trading Lot**

In accordance with Regulation 267(2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹ 1,00,000/- (Rupees One Lakh) per application.

The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the BSE SME from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

### **Minimum Number of Allottees**

Further in accordance with the Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within 4 (four) working days of closure of Issue.

### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/ authorities in Uttrakhand.

**The Equity Shares have not been and will not be registered under the U.S Securities Act, 1933 or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the U.S. Securities Act, 1933 and the applicable laws of the jurisdictions where those offers and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

### **Joint Holders**

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

### **Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013, and the rules framed thereunder, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013 be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/ transfer/ of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Corporate Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013 any Person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 (ninety) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the allotment of Equity Shares in the Issue is in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

### Bid / Issue Period

<b>BID/ISSUE OPENS ON</b>	[●] <sup>(1)</sup>
<b>BID/ISSUE CLOSES ON</b>	[●] <sup>(2)(3)</sup>

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

<sup>(2)</sup>Our Company, shall, in consultation with the BRLM, consider closing the Bid/Issue Period for QIBs (1) one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.

<sup>(3)</sup>UPI mandate end time and date shall be 5.00 PM on Bid/Issue Closing Date.

An indicative timetable in respect of the Issue is set out below:

Event	Indicative Date
<b>ANCHOR PORTION BID/ISSUE OPENS/CLOSES ON</b>	[●]
<b>BID/ISSUE OPENING DATE</b>	[●]
<b>BID/ISSUE CLOSING DATE</b>	[●]
<b>FINALISATION OF BASIS OF ALLOTMENT WITH THE DESIGNATED STOCK EXCHANGE (T+1)</b>	On or about [●]
<b>INITIATION OF REFUNDS (IF ANY, FOR ANCHOR INVESTORS)/ UNBLOCKING OF FUNDS FROM ASBA ACCOUNT (T+2)*</b>	On or about [●]
<b>CREDIT OF EQUITY SHARES TO DEMAT ACCOUNTS OF ALLOTTEES (T+2)</b>	On or about [●]
<b>COMMENCEMENT OF TRADING OF THE EQUITY SHARES ON THE STOCK EXCHANGE (T+3)</b>	On or about [●]

\*\* In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding 2 (two) Working Days from the Bid/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding 2 (two) Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLM shall, in its sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The BRLM shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, read with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI Circular no: SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/76 dated May 30, 2022, and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds, shall be deemed to be incorporated in the agreements to be entered into by and between our Company and the relevant intermediaries, to the extent applicable.

The above timetable is indicative and does not constitute any obligation on our Company or the BRLM.

Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 (three) Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

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

On the Bid/ Issue Closing Date, the Bids shall be uploaded until: (i) 4.00 P.M. IST in case of Bids by QIBs and Non-Institutional Bidders, and (ii) until 5.00 P.M. IST or such extended time as permitted by the Stock Exchange, in case of Bids by Retail Individual Bidders.

On the Bid/ Issue Closing Date, extension of time will be granted by the Stock Exchange only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLM to the Stock Exchange.

The Registrar to the Issue shall submit the details of cancelled/ withdrawn/ deleted applications to the SCSBs on a daily basis within 60 minutes of the Bid closure time from the Bid/ Issue Opening Date till the Bid/ Issue Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLM and the RTA on a daily basis.

To avoid duplication, the facility of re-initiation provided to Syndicate Members, if any shall preferably be allowed only once per Bid/batch and as deemed fit by the Stock Exchange, after closure of the time for uploading Bids.

It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

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

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

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

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of any revision to the Price Band, the Bid/ Issue Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/ Issue Period not exceeding a total of 10 (ten) Working Days. In cases of force majeure, banking strike or similar circumstances, our Company in consultation with the BRLM, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 (ten) Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a public notice, and also by indicating the change on the respective websites of the BRLM and the terminals of the Syndicate Members, if any and by intimation to SCSBs, other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

### **Minimum Subscription and Underwriting**

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 (thirty) days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company, to the extent applicable, shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and other applicable law.

In terms of Regulation 272(2) of SEBI (ICDR) Regulations, in case the Company fails to obtain listing or trading permission from the stock exchanges where the specified securities are proposed to be listed, it shall refund through verifiable means the entire monies received within (two) days of receipt of intimation from stock exchange(s) rejecting the application for listing of specified securities, and if any such money is not repaid within 4 (four) days after the issuer becomes liable to repay it, the issuer and every director of the company who is an officer in default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at the rate of fifteen per cent per annum.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be allotted will not be less than 50 (Fifty).

In terms of Regulation 260 of the SEBI (ICDR) Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, see “**General Information - Underwriting**” on page 67.

Further, in accordance with Regulation 267 of the SEBI (ICDR) Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **Migration to Main Board**

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

If the Paid-up Capital of the company is likely to increase above ₹25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to

apply to BSE for listing our shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board. If the Paid-up Capital of the company is more than ₹10 crores but below ₹25 crores and if the company fulfils the eligibility criteria for listing laid down by the main board, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

### **Market Making**

The shares offered through this Issue are proposed to be listed on the BSE SME (SME platform of BSE), wherein the BRLM to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the SME platform of NSE.

For further details of the agreement entered into between the Company the BRLM and the Market Maker, see “*General Information*” on page 60.

### **Arrangements for disposal of odd lots**

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of NSE.

### **Option to receive securities in Dematerialized Form**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act. Further it is mandatory for the investor to furnish the details of his/her depository account, & if for any reasons details of the account are incomplete or incorrect the application shall be treated as incomplete & may be rejected by the Company without any prior notice.

### **As per the extent Guideline of the Government of India, OCBs cannot participate in this Issue:**

The current provisions of the Foreign Exchange Management (Debt Instruments) Regulations, 2019, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management Act and regulations and rules made therein, RBI and/or SEBI regulations as may be applicable to such investors. The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this Issue.

### **Application by Eligible NRI's, FPI's, VCF's, AIF's registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.



### **Restrictions, if any on transfer and transmission of shares and on their consolidation or splitting**

Except for lock-in of the Pre- Issue Equity Shares and Promoters minimum contribution in the Issue as detailed under section titled “*Capital Structure*” on page 71, and except as provided in the Articles of Association of our Company, there are no restrictions on transfers of Equity Shares. There are no restrictions on transfer and transmission of shares and on their consolidation/ splitting except as provided in the Articles of Association. For further details, see “*Main Provisions of the Articles of Association*” on page 357.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] editions of [●] (a widely circulated daily newspaper and Hindi being regional language of Utrakhand, where our Registered Office is located) and shall be made available to the Stock Exchange for the purpose of uploading on its website.

### **Withdrawal of the Issue**

Our Company in consultation with the BRLM, reserve the right to not to proceed with the issue after the Bid/ Issue Opening date but before the Allotment. In such an event, our Company would issue a public notice in the newspaper in which the pre issue advertisements were published, within 2 (two) days of the Bid/ Issue Closing date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the issue. The BRLM through, the Registrar of the issue, shall notify the SCSBs and the Sponsor Bank, as applicable, to unblock the bid amounts in bank accounts of the ASBA Bidders and the BRLM shall notify the Escrow Collection Bank to release the Bid Amounts of the Anchor Investors and any other investors, as applicable, within 1 (one) working day from the date of receipt of such notification. Our Company shall also inform the same to the stock exchange on which equity shares are proposed to be listed.

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

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the filing of Draft Red Herring Prospectus/ Red Herring Prospectus with Registrar of Companies.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the BRLM are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.*

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer, whose post issue face value capital is more than ten crore rupees and upto twenty-five crore rupees shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“*SME Exchange*”, in this case being the BSE SME. For further details regarding the salient features and terms of such an issue see “*Terms of the Issue*” and “*Issue Procedure*” on page 308 and 320 respectively.

### Issue Structure

Initial Public Issue of up to 1,10,00,000\* Equity Shares of ₹5 each for cash at a price of ₹[●] per Equity Share (including a Share Premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] Lakhs by the our Company.

\*Subject to finalization of Basis of Allotment

The Issue comprises reservation of up to [●] Equity Shares of ₹ 5 each for subscription by the designated Market Maker (the “**Market Maker Reservation Portion**”) and Net Issue to Public of up to [●] Equity Shares of ₹ 5 each (the “**Net Issue**”). The Issue and the Net Issue will constitute [●] % and [●] %, respectively of the post Issue paid up equity share capital of the Company. The Issue is being made through the Book Building Process. This Issue is being made in terms of Chapter IX of the SEBI ICDR Regulations, 2018, as amended from time to time.

Particulars <sup>(2)</sup>	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Bidders / Investors	Retail Individual Bidders / Investors
<b>Number of Equity Shares available for Allotment/ allocation*</b>	Upto [●] Equity Shares	Not more than [●] Equity Shares,	Not less than [●] Equity Shares available for allocation or less allocation to QIBs and Retail Bidders	Not less than [●] Equity Shares available for allocation or less allocation to QIBs and Non-Institutional Bidders
<b>Percentage of Issue Size available for Allotment/ allocation</b>	[●] of the Issue Size	Not more than 50% of the Net Issue being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Net Issue subject to the following; (a) one-third of the portion available to Non-Institutional Bidders shall be reserved for applicants with an application size of more than ₹ 2 lakhs and up to ₹ 10 lakhs; and (b) two-third of the portion available to Non-Institutional Bidders shall be reserved for	Not less than 35% of the Net Issue.

Particulars <sup>(2)</sup>	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Bidders / Investors	Retail Individual Bidders / Investors
			<p>applicants with application size of more than ₹ 10 lakhs</p> <p>provided that the unsubscribed portion in either of the sub-categories specified above may be allocated to Bidders in the other sub-category of Non-Institutional Bidders</p>	
<b>Basis of Allotment</b> <sup>(3)</sup>	Firm Allotment	<p>Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to 60% of the QIB Portion (of up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price</p>	<p>Proportionate basis subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of Non-Institutional Investors.</p>	<p>Proportionate basis subject to minimum allotment of [●] Equity Shares</p>
<b>Mode of Bidding</b>		Through ASBA process only (excluding the UPI Mechanism) except for Anchor Investors	Through ASBA process only (including the UPI Mechanism for a Bid size of up to ₹5.00 lakhs)	Through ASBA process only (including the UPI Mechanism)

Particulars <sup>(2)</sup>	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Bidders / Investors	Retail Individual Bidders / Investors
<b>Minimum Bid</b>		Such number of [●] Equity Shares in multiples of [●] Equity Shares, such that the Bid Amount exceeds ₹2.00 lakhs	Such number of [●] Equity Shares in multiples of [●] Equity Shares, such that the Bid Amount exceeds ₹2.00 lakhs	[●] Equity Shares and in multiples of [●] Equity Shares thereafter, such that the Bid Amount does not exceed ₹2.00 lakhs
<b>Maximum Bid</b>		Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Issue (excluding the Anchor Investor Portion), subject to applicable limits under applicable law	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Issue (excluding the QIB Portion), subject to applicable limits under applicable law	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed ₹2.00 lakhs
<b>Mode of Allotment</b>	Compulsorily in dematerialized form			
<b>Trading Lot</b>	[●] Equity Shares, However the Market Maker may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof
<b>Who can apply <sup>(3)(4)</sup></b>		Public financial institutions as specified in section 2(72) of the Companies Act, scheduled commercial banks, mutual funds, FPIs, VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with certain minimum corpus pension funds (subject to applicable law) with certain minimum corpus of, National Investment	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions, societies, and trusts and any individuals, corporate bodies and family offices which are re-categorised as category II FPI (as defined in the SEBI FPI Regulations) and registered with SEBI.	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the Karta)

Particulars <sup>(2)</sup>	Market Maker Reservation Portion	QIBs <sup>(1)</sup>	Non-Institutional Bidders / Investors	Retail Individual Bidders / Investors
		Fund set up by the Government of India, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important Non-Banking Financial Companies		
<b>Terms of Payment</b>	<p><b>In case of Anchor Investors:</b> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids<sup>(4)</sup></p> <p><b>In case of all other Bidders:</b> Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.</p>			

\* Assuming full subscription in the Issue.

<sup>(1)</sup> Our Company may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price.

<sup>(2)</sup> In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Issue for at least 25% of the post issue paid-up Equity share capital of the Company. This Issue is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 252 of the SEBI (ICDR) Regulations.

<sup>(3)</sup> Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the BRLM and the Stock Exchange, subject to applicable laws.

<sup>(4)</sup> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Issue Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

The Bids by FPIs with certain structures as described under “**Issue Procedure - Bids by FPIs**” on pages 333 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

If the Bid is submitted in joint names, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names. The signature of only the first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

## ISSUE PROCEDURE

All Bidders should read the 'General Information Document for Investing in Public Issues' prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 notified by SEBI and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015 as amended and modified by the circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016, and SEBI Circular bearing number (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and Circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 01, 2018, notified by SEBI ("**General Information Document**") and SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, included below under Section "PART B – General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the ICDR Regulations. The General Information Document is available on the websites of the Stock Exchange and the Book Running Lead Manager. The document will be updated to reflect the enactments and regulations including then Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. Please refer to the relevant portions of the General Information Document which are applicable to this Issue. The investors should note that the details and process provided in the General Information Document should be read along with this section.

All Designated Intermediaries in relation to the Issue should ensure compliance with the SEBI circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, as amended and modified by the SEBI circular (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/22) dated February 15, 2018 and (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles as amended and modified by the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019.

Additionally, all Bidders may refer to the General Information Document for information, in addition to what is stated herein, in relation to (i) category of Bidders eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) payment instructions for Bidders applying through ASBA process and Retail Individual Investors applying through the United Payments Interface channel; (v) issuance of Confirmation of Allocation Note ("**CAN**") and Allotment in the Issue; (vi) general instructions (limited to instructions for completing the Bid Cum Application Form); (vii) Designated Date; (viii) disposal of Applications; (ix) submission of Bid Cum Application Form; (x) other instructions (limited to joint Applications in cases of individual, multiple Applications and instances when an Application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious Applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI through its UPI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days ("**UPI Phase I**"). The UPI Phase I was effective till June 30, 2019.

Subsequently, for applications by Retail Individual Investors through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism with existing timeline of T+6 days is applicable for a period of three months or launch of five main board public issues, whichever is later ("**UPI Phase II**"), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Further, as per the SEBI circular (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019, the UPI Phase II had been extended until March 31, 2020. However, due to the outbreak of COVID-19 pandemic, UPI Phase II has been further extended by SEBI until further notice, by its circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30,

2020. Thereafter, the final reduced timeline of T+3 days may be made effective using the UPI Mechanism for applications by Retail Individual Investors (“UPI Phase III”), as may be prescribed by SEBI. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, and circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular is effective for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, and the provisions of this circular are deemed to form part of this Prospectus. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all individual Investors in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹500,000 shall use the UPI Mechanism.

Further, SEBI vide its circular bearing reference number SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the investor’s bank accounts. Accordingly, Stock Exchanges shall, for all categories of investors viz. Retail, QIB, NIB and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked.

Furthermore, SEBI vide press release bearing number 12/2023 has approved the proposal for reducing the time period for listing of shares in public issue from existing 6 working days to 3 working days from the date of the closure of the issue. The revised timeline of T+3 days shall be made applicable in two phases i.e. voluntary for all public issues opening on or after September 1, 2023 and mandatory on or after December 1, 2023. Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities after the closure of a public issue to three Working Days. Accordingly, the Offer will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.

The list of Banks that have been notified by SEBI as Issuer Banks for UPI are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. The list of Stockbrokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by BSE SME to act as intermediaries for submitting Application Forms are provided on [www.bsesme.com](http://www.bsesme.com). For details on their designated branches for submitting Application Forms, please see the above mentioned website of BSE SME.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding two Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Book Running Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended by SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and Book Running Lead Manager would not be able to include any amendment, modification or change in applicable law, which may occur after the date of Prospectus. Applicants are advised to make their independent investigations and ensure that their application do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus.

Further, the Company and the BRLM are not liable for any adverse occurrence’s consequent to the implementation of the UPI Mechanism for application in this Issue.

## Phased implementation of Unified Payments Interface

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the SEBI UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by RIBs through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RII had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public Issue closure to listing continued to be six working days.

**Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds was discontinued and was replaced by the UPI Mechanism. However, the time duration from public Issue closure to listing would continued to be six Working Days during this phase.

**Phase III:** This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide SEBI circular bearing number SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3 Notification**"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Issue shall be undertaken pursuant to the processes and procedures as notified in the T+3 Notification as applicable, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI Mechanism.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than 1 (one) Working Day from the date on which the Basis of Allotment is finalized. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post-Issue BRLM will be required to compensate the concerned investor.

Further, in terms of the UPI Circulars, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLM, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

SEBI through its circular (SEBI/HO/CFD/DIL2/CIR/P/2022/45) dated April 5, 2022, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹5 lakh, shall use the UPI Mechanism. Individual investors Bidding under the Non-Institutional Portion Bidding for more than ₹2 lakh and up to ₹5 lakh, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers,



RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

*For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Book Running Lead Manager.*

### **Book Building Procedure**

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) read with Regulation 252 of SEBI ICDR Regulations, 2018, the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Issue shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchange.

**Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders’ depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Issue, subject to applicable laws.**

Bidders are required to ensure that their PAN is linked with Aadhaar and they are in compliance with the notification dated February 13, 2020 issued by the Central Board of Direct Taxes and the press release dated June 25, 2021.

### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the NSE, at least (1) one day prior to the Bid/Issue Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Issue through the ASBA process. ASBA Bidders shall ensure that the Bids are made

on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since as on date Phase III of the UPI Circulars is mandatorily applicable, the Issue is made under Phase III of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below;

- RIIs (other than the RIIs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- UPI Bidder using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs

**Anchor Investors are not permitted to participate in the Issue through the ASBA process.**

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	[●]
Non-Residents including FPIs and Eligible NRIs, FVCIs and registered bilateral and multilateral development financial institutions applying on a repatriation basis	[●]
Anchor Investors	[●]

Notes:

- (a) *Electronic Bid cum Application forms and the abridged prospectus will also be available for download on the websites of the BSE at [www.bsesme.com](http://www.bsesme.com)*
- (b) *Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLM.*

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Draft Red Herring Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries”)

Sr. No	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained
2.	A syndicate member (or sub-syndicate member)

Sr. No	Designated Intermediaries
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
4.	A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
5.	A registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

*Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.*

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

<b>For Applications submitted by Investors to SCSB</b>	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
<b>For applications submitted by investors to intermediaries other than SCSBs</b>	After accepting the Bid Cum Application Form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the Bid Cum Application Forms to designated branches of the respective SCSBs for blocking of funds within (1) one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment</b>	After accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. Stock exchange shall share application details including the UPI ID with sponsor bank on a continuous basis, to enable sponsor bank to initiate mandate request on investors for blocking of funds. Sponsor bank shall initiate request for blocking of funds through NPCI to investor. Investor to accept mandate request for blocking of funds, on his/her mobile application, associated with UPI ID linked bank account.

Stock exchange shall validate the electronic bid details with depository's records for DP ID/Client ID and PAN, on a real-time basis and bring the inconsistencies to the notice of intermediaries concerned, for rectification and re-submission within the time specified by stock exchange.

Stock exchange shall allow modification of selected fields viz. DP ID/Client ID or Pan ID (Either DP ID/Client ID or Pan ID can be modified but not BOTH), Bank code and Location code, in the bid details already uploaded.

Upon completion and submission of the Bid Cum Application Form to Application Collecting intermediaries, the Bidders are deemed to have authorized our Company to make the necessary changes in the Draft Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

For RIBs using UPI Mechanism, the Stock Exchange shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/ Issue Closing Date ("Cut- Off Time"). Accordingly, RIBs should accept UPI Mandate Requests for blocking off funds prior to the Cut- Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate RIBs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an Issue) at whose end the

lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the bankers to an Issue. The BRLM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability.

### **Availability of Draft Red Herring Prospectus and Bid Cum Application Forms**

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and BSE SME (www.bsesme.com) at least (1) one day prior to the Bid/Issue Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

### **Who can Bid?**

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the DRHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: - Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- Venture Capital Funds and Alternative Investment Fund registered with SEBI;
- State Industrial Development Corporations;
- Foreign Venture Capital Investors registered with the SEBI;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority, India; Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- Pension Funds and Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- Multilateral and bilateral development financial institution;
- Eligible QFIs;

- Insurance funds set up and managed by army, navy or air force of the Union of India;
- Insurance funds set up and managed by the Department of Posts, India;
- Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

**Applications not to be made by:**

- Minors (except through their Guardians)
- Partnership firms or their nominations
- Foreign Nationals (except NRIs)
- Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

**Maximum and minimum application size**

**1. For Retail Individual Bidders**

The Application must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹2.00 lakhs. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹2.00 lakhs.

**2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹2.00 lakhs and in multiples of [●] Equity Shares thereafter. an Application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.**

**The above information is given for the benefit of the Bidders. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

**Method of bidding process**

Our Company in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Issue and the same shall be advertised in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated [●] national daily newspaper) [●] being regional language of [●], where

our Registered Office is situated, at least 2 (two) Working Days prior to the Bid/ Issue Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid/ Issue Period.

- The Bid / Issue Period shall be for a minimum of 3 (three) Working Days and shall not exceed 10 (ten) Working Days or such time as may be prescribed under the applicable laws. The Bid/ Issue Period maybe extended, if required, by an additional 3 (three) Working Days, subject to the total Bid/ Issue Period not exceeding maximum permissible time period or such time as may be prescribed under the applicable laws. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated [●] national daily newspaper) and [●] being regional language of [●], where our Registered Office is situated, each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.
- During the Bid/ Issue Period, Retail Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Issue Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.
- Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- The Bidder/ Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”
- Except in relation to the Bids received from the Anchor Investors, the BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, (“TRS”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form
- The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Issue Period i.e. (1) one working day prior to the Bid/ Issue Opening Date or such time as may be prescribed under the applicable laws. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “Escrow Mechanism - Terms of payment and payment into the Escrow Accounts” in the section “**Issue Procedure**” beginning on page 320.
- Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form prior to uploading such Bids with the Stock Exchange.
- If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.

- If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### **Bids at different price levels and revision of bids**

- Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.
- The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

#### **Participation by Associates /Affiliates of BRLM and the Syndicate Members**

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoters and Promoter Group can apply in the Issue under the Anchor Investor Portion.

#### **Option to Subscribe in the Issue**

- As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities

in physical form.

- The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

#### **Information for the Bidders**

- Our Company and the Book Running Lead Manager shall declare the Bid/ Issue Opening Date and Bid/ Issue Closing Date in the Draft Red Herring Prospectus to be registered with the RoC and also publish the same in advertisement in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated [●] national daily newspaper) and [●] being regional language of [●], where our Registered Office is situated, each with wide circulation. This advertisement shall be in prescribed format.
- Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Bid/ Issue Opening Date or such time as may be prescribed under the applicable laws.
- Copies of the Bid Cum Application Form along with Abridged Prospectus and copies of the Draft Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
- Any Bidder who would like to obtain the Draft Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
- Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
- Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
- The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.
- Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
- Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for



transacting in the securities market, shall be “suspended for credit” and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.

- The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

#### **Bids by Anchor Investors:**

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
- The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least ₹ 200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 200.00 lakhs.
- One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day or such time as may be prescribed under the applicable laws.
- Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - (a) where allocation in the Anchor Investor Portion is up to ₹200.00 Lakhs, maximum of 2 (two) Anchor Investors.
  - (b) where the allocation under the Anchor Investor Portion is more than ₹200.00 Lakhs but upto ₹2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor; and
  - (c) where the allocation under the Anchor Investor portion is more than ₹2500.00 Lakhs:(i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto ₹2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of ₹2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of ₹100.00 Lakhs per Anchor Investor.
- Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/Issue Opening Date, through intimation to the Stock Exchange.
- Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date or such time as may be prescribed under the applicable laws. If the Issue Price is lower than the Anchor Investor Allocation

Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.

- At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
- 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 90 (ninety) days from the date of Allotment, while the remaining 50% of the Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 (thirty) days from the date of Allotment.
- The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
- Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
- Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

#### **Bids by Eligible NRIs**

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident forms should authorise their respective SCSB or confirm or accept the UPI Mandate Request (in case of UPI Bidders bidding through UPI Mechanism) to block their Non-Resident External (“NRE”) accounts (including UPI ID, if activated), or Foreign Currency Non-Resident (“FCNR”) accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using resident forms should authorise their SCSB to block their Non-Resident Ordinary (“NRO”) accounts or accept the UPI Mandate Request (in case of UPI Bidders Bidding through the UPI Mechanism) for the full Bid Amount, at the time of the submission of the Bid cum Application Form. NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

Eligible NRIs will be permitted to apply in the Issue through Channel I or Channel II (as specified in the SEBI UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the SEBI UPI Circulars) to apply in the Issue, provided the UPI facility is enabled for their NRE/NRO accounts. Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] colour). Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] colour).

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Participation of Eligible NRIs in the Issue shall be subject to the FEMA Non-debt Instrument Rules. Only bids accompanied by payment in Indian rupees or fully convertible foreign exchange will be considered for allotment.

For details of restrictions on investments by NRIs, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 355.

### **Bids by HUFs**

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder/applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or First Bidder/applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals.

### **Bids By Mutual Funds**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

No Mutual Fund scheme shall invest more than 10.00% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10.00% 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 10.00% of any company's paid-up share capital carrying voting rights.

### **Bids 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 same 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 the FEMA Non-debt Instruments Rules, the total holding by each FPI, of an investor group, shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate limit for FPI investments shall be the sectoral caps applicable to our Company, which is 100% of the total paid-up Equity Share capital of our Company on a fully diluted basis. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. Bids by FPIs which utilise the multi investment manager structure, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs may not be treated as multiple Bids.

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. In terms of the FEMA Non-debt Instruments Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLM reserves the right to reject any Bid without assigning any reason, subject to applicable laws.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such

offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by, or on behalf of it subject to, inter alia, the following conditions:

- (i) such offshore derivative instruments are transferred to persons subject to fulfilment of SEBI FPI Regulations; and
- (ii) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred are pre-approved by the FPI.

The FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for non-residents. Bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations (such structure referred to as "**MIM Structure**"), provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.

Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

Further, in the following cases, Bids by FPIs shall not be treated as multiple Bids:

- (i) FPIs which utilise the MIM structure, indicating the name of their respective investment managers in such confirmation;
- (ii) Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- (iii) Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager;
- (v) Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- (vi) Government and Government related investors registered as Category 1 FPIs; and
- (vii) Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the Applicant FPIs (with same PAN). In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

Please note that in terms of the General Information Document, the maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under applicable laws. Further, MIM Bids by an FPI Bidder utilising the MIM Structure shall be aggregated for determining the permissible maximum Bid.

Further, please note that as disclosed in the Draft Red Herring Prospectus read with the General Information Document, Bid Cum Application Forms are liable to be rejected in the event that the Bid in the Bid cum Application Form "exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under applicable laws or regulations or maximum amount permissible under applicable laws or regulations, or under the terms of the Red Herring Prospectus."

For example, an FPI must ensure that any Bid by a single FPI and/ or an investor group (which means the same multiple entities having common ownership directly or indirectly of more than 50% or common control)

(collective, the “**FPI Group**”) shall be below 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis. Any Bids by FPIs and/ or the FPI Group (including but not limited to (a) FPIs Bidding through the MIM Structure; or (b) FPIs with separate registrations for offshore derivative instruments and proprietary derivative instruments) for 10% or more of our total paid-up post Issue Equity Share capital shall be liable to be rejected.

**All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

#### **Bids by SEBI registered VCFs, AIFs and FVCIs**

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended (the “**SEBI AIF Regulations**”) prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, venture capital funds which have not re-registered as AIFs under the SEBI AIF Regulations shall continue to be regulated by the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The SEBI FVCI Regulations prescribe the investment restrictions on FVCIs.

Category I and II AIFs cannot invest more than 25% of their investible funds in one investee company. A category III AIF cannot invest more than 10% of its investible funds in one investee company. A VCF registered as a category I AIF, cannot invest more than one-third of its investible funds, in the aggregate, in certain specified instruments, including by way of subscription to an initial public offering of a venture capital undertaking whose shares are proposed to be listed. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

Participation of AIFs, VCFs and FVCIs shall be subject to the FEMA Rules.

Further, the shareholding of VCFs, category I AIFs or category II AIFs and FVCIs holding equity shares of a company prior to an initial public offering being undertaken by such company, shall be exempt from lock-in requirements, provided that such equity shares shall be locked in for a period of at least six months period from the date of purchase by the venture capital fund or alternative investment fund or foreign venture capital investor.

**There is no reservation for Eligible NRI Bidders, AIFs, FPIs and FVCIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.**

**All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

#### **Bids by limited liability partnerships**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof.

#### **Bids by banking companies**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company’s investment committee are required to be attached to the Bid cum Application Form, failing which our Company, in consultation with the BRLM, reserve the right to reject any Bid without assigning any reason thereof subject to applicable law

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (“**Banking Regulation Act**”), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended, is 10% of the paid-up share capital of the investee company or 10% of the bank’s own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks’ interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company’s paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

### **Bids by SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the circulars bearing numbers CIR/CFD/DIL/12/2012 and CIR/CFD/DIL/1/2013 dated September 13, 2012 and January 2, 2013, respectively, issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

### **Bids by Insurance Companies**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company and the in consultation with the BRLM reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016, as amended, are broadly set forth below:

- (i) equity shares of a company: the lower of 10% of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer or health insurer;
- (ii) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or health insurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (iii) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or health insurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (i), (ii) and (iii) above, as the case may be.

Insurance companies participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

### **Bids by Systemically Important NBFCs**

In case of Bids made by Systemically Important NBFCs registered with RBI, certified copies of: (i) the certificate of registration issued by RBI; (ii) certified copy of its last audited financial statements on a standalone basis; (iii) a net worth certificate from its statutory auditor; and (iv) such other approval as may be required by the Systemically Important NBFCs, are required to be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLM, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law. Systemically Important NBFCs participating in the Issue shall comply with all

applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for NBFC-SI shall be prescribed by RBI from time to time.

For more information, please read the General Information Document.

In accordance with existing regulations issued by the RBI, OCBs cannot participate in the Issue.

### **Bids under Power of Attorney**

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with minimum corpus of ₹250 million and pension funds with a minimum corpus of ₹250 million, in each case, subject to applicable law and in accordance with their respective constitutional documents a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company in consultation with the BRLM, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and the, in consultation with the BRLM, may deem fit, without assigning any reasons thereof.

### **Bids by provident funds/pension funds**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹250 million, registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013, subject to applicable law, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company, in consultation with the BRLM, reserve the right to reject any Bid, without assigning any reason therefor.

**The above information is given for the benefit of the Bidders. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and Prospectus.**

### **ISSUANCE OF A CONFIRMATION NOTE (“CAN”) AND ALLOTMENT IN THE ISSUE:**

- Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
- The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

### **Issue Procedure for Application Supported by Blocked Account (ASBA) Bidders**

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA

Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

### **Terms of payment**

The entire Issue price of ₹ [●] per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders. SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs. The Bidders should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

### **Payment mechanism**

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within 1 (one) day of receipt of such instruction or such time as may be prescribed under the applicable laws. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, UPI Bidder (including Retail Individual Bidders) applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

### **Payment into Escrow Account for Anchor Investors**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- In case of resident Anchor Investors: “[●]”
- In case of Non-Resident Anchor Investors: “[●]”

Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

### **Electronic Registration of Applications**

- The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
- The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 5.00 p.m. of the Issue Closing Date.



- The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to;
  - (a) the applications accepted by them,
  - (b) the applications uploaded by them
  - (c) the applications accepted but not uploaded by them or d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
  
- Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - (a) The applications accepted by any Designated Intermediaries;
  - (b) The applications uploaded by any Designated Intermediaries or;
  - (c) The applications accepted but not uploaded by any Designated Intermediaries
  
- The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
  
- With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

S. No.	Details*
1	Symbol
2	Intermediary Code
3	Location Code
4	Application No
5	Category
6	PAN
7	DP ID
8	Client ID
9	Quantity
10	Amount

*\* Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields.*

- With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
  - (a) Name of the Bidder;
  - (b) IPO Name;
  - (c) Bid Cum Application Form Number;
  - (d) Investor Category;
  - (e) PAN (of First Bidder, if more than one Bidder);
  - (f) DP ID of the demat account of the Bidder;
  - (g) Client Identification Number of the demat account of the Bidder;
  - (h) Number of Equity Shares Applied for;
  - (i) Bank Account details;
  - (j) Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - (k) Bank account number.

- In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the abovementioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
- The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
- Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
- In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Draft Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
- The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
- The Designated Intermediaries will be given time till 5.00 p.m. on the Bid/Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
- The SCSBs shall be given (1) one day after the Bid/Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
- The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### **Build of the Book**

- Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Issue Period.
- Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid/ Issue Period.

#### **Withdrawal of Bids**

- RIIs can withdraw their Bids until Bid/ Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the

Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

#### **Price Discovery and Allocation**

- Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalise the Issue Price and the Anchor Investor Issue Price.
- The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.
- In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.
- Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

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

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

<b>Bid Quantity</b>	<b>Bid Amount (₹)</b>	<b>Cumulative Quantity</b>	<b>Subscription</b>
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

#### **Signing of Underwriting Agreement and Filing of Red Herring Prospectus/ Prospectus with RoC**

- Our company will enter into an Underwriting Agreement prior to filing of RHP; and
- A copy of Red Herring Prospectus will be filed with the RoC and copy of Prospectus will be filed with RoC in terms of Section 32 of Companies Act, 2013 and Section 26 of Companies Act, 2013

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013, our Company will, after registering this Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated [●] national daily newspaper) and Hindi being regional language of Uttarakhand, where our Registered Office is situated. Our Company shall, in the pre-Issue advertisement state the Bid/Issue Opening Date, the Bid/Issue Closing Date and the QIB Bid/Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of under the SEBI ICDR Regulations.

**The information set out above is given for the benefit of the Bidders/applicants. Our Company, the BRLM and the members of the Syndicate is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders/applicants are advised to make their independent investigations and ensure that the number of Equity Shares for do not exceed the prescribed limits under applicable laws or regulations.**

### **Allotment Advertisement**

Our Company, the BRLM and the Registrar to the Issue shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in: in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated [●] national daily newspaper) and Hindi being regional language of Uttarakhand, where our Registered Office is situated.

### **General Instructions**

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. RIBs can revise their Bid(s) during the Bid/ Issue Period and withdraw or lower the size of their Bid(s) until Bid/ Issue Closing Date. Anchor Investors are not allowed to withdraw their Bids after the Anchor Investor Bid/ Issue Period.

#### **Do's:**

1. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021 and September 17, 2021 and March 30, 2022, read with press release dated March 28, 2023;
2. Check if you are eligible to apply as per the terms of the Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
3. Ensure that you have Bid within the Price Band;
4. Ensure that (other than Anchor Investors) you have mentioned correct details of ASBA Account (i.e., bank account or UPI ID, as applicable) and PAN in the Bid cum Application Form and if you are a UPI Bidder ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. Retail Individual Investors Bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;
6. Retail Individual Investors Bidding using the UPI Mechanism shall make Bids only through the SCSBs, Mobile Applications and UPI handles whose name appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;
7. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
8. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
9. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the relevant Bidding Centre (except in case of electronic Bids) within the prescribed time. Retail Individual Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate Members, sub-Syndicate Members, Registered Brokers, RTAs or CDPs and should

- ensure that the ASBA Form contains the stamp of such Designated Intermediary;
10. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
  11. In case of joint Bids, ensure that first Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the first Bidder is included in the Bid cum Application Form;
  12. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. Ensure that the signature of the First Bidder is included in the Bid cum Application Forms. PAN of the First Bidder is required to be specified in case of joint Bids;
  13. Bidders should ensure that they receive the Acknowledgment slip or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Bid cum Application Form;
  14. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;
  15. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
  16. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficial owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
  17. Ensure that the Demographic Details are updated, true and correct in all respects;
  18. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
  19. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
  20. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents, including a copy of the power of attorney, are submitted;
  21. Ensure that Bids submitted by any person resident outside India should be in compliance with applicable foreign and Indian laws;
  22. Retail Individual Investors Bidding using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
  23. Note that in case the DP ID, UPI ID (where applicable), Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, UPI ID (where applicable), Client ID and PAN available in the Depository database, then such Bids are liable to be rejected;
  24. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;
  25. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/Issue Closing Date;
  26. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, were required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids are liable to be rejected;

27. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLM;
28. Ensure that while Bidding through a Designated Intermediary, the Bid cum Application Form (other than for Anchor Investors and RIBs bidding using the UPI Mechanism) is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI (at [www.sebi.gov.in](http://www.sebi.gov.in)) or such other websites as updated from time to time);
29. Ensure that you have correctly signed the authorization /undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank, as applicable via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
30. Retail Individual Investors Bidding using the UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, the Retail Individual Investor shall be deemed to have verified the attachment containing the application details of the Retail Individual Investor Bidding using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to issue a request to block the Bid Amount mentioned in the Bid Cum Application Form in his/her ASBA Account;
31. Retail Individual Investors Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the First Bidder (in case of joint account) in the Bid cum Application Form;
32. Retail Individual Investors Bidding using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in his/her account and subsequent debit of funds in case of allotment in a timely manner and;
33. Bids by Eligible NRIs and HUFs for a Bid Amount of less than ₹200,000 would be considered under the Retail Portion, and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Portion, for the purposes of allocation in the Issue.
34. Ensure that the Anchor Investors submit their Bid cum Application Forms only to the BRLM;
35. The ASBA Bidders shall ensure that that bids above ₹5,00,000 are uploaded only to the SCSBs.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

***Don'ts:***

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;
4. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
5. Do not send Bid cum Application Forms by post, instead submit the same to the Designated Intermediary only;
6. Anchor Investors should not Bid through the ASBA process;
7. Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centres;
8. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms;
9. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
10. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Investors);
11. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue/Issue size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;

12. Do not submit your Bid after 3.00 pm on the Bid/Issue Closing Date;
13. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Issue Closing Date;
14. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
15. If you are a RIB and are using UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID
16. Do not submit the General Index Register (GIR) number instead of the PAN;
17. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by Retail Individual Investors)
18. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
19. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of Retail Individual Investors Bidding using the UPI Mechanism, in the UPI-linked bank account where funds for making the Bid are available;
20. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor. Retail Individual Investors revise or withdraw their Bids until the Bid/Issue Closing Date;
21. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
22. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by Retail Individual Investors using the UPI Mechanism;
23. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
24. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
25. Do not submit more than one Bid cum Application Form per ASBA Account. If you are a Retail Individual Investor Bidding using the UPI Mechanism, do not submit Bids through an SCSB and/or Mobile Applications and/or UPI handle that is not listed on the website of SEBI;
26. Do not submit a Bid using UPI ID, if you are not a Retail Individual Investor;
27. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;
28. RIIs Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a banks which is not mentioned in the list provided in the SEBI website is liable to be rejected;
29. Do not submit a Bid cum Application Form with third party UPI ID or using a third party bank account (in case of Bids submitted by Retail Individual Investors using the UPI Mechanism); and
30. Do not Bid if you are an OCB;
31. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;
32. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹5,00,000.

**The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.**

For details of grounds for technical rejections of a Bid cum Application Form, see the General Information Document.

#### **Other instructions for the Bidders**

##### **Joint Bids**

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

## **Multiple Bids**

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid\ cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

## **Investor Grievance**

In case of any pre-issue or post issue related problems regarding demat credit/ refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company.

## **Nomination Facility to Bidders**

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

## **Submission of Bids**

- During the Bid/Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the DRHP.

## **GROUND OFS OF TECHNICAL REJECTIONS**

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples Equity Shares as specified in the DRHP;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the DRHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the DRHP and as per the instructions in the DRHP and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity



- (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
  - Bid by OCBs;
  - Bids by US persons other than in reliance on Regulation S;
  - Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
  - Bids not uploaded on the terminals of the Stock Exchanges;
  - Where no confirmation is received from SCSB for blocking of funds;
  - Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
  - Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
  - Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
  - Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
  - Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
  - Details of ASBA Account not provided in the Bid cum Application form.
  - Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Issue Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Issue Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Issue Closing Date, unless extended by the Stock Exchange.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GUID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **Basis of Allocation**

- The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the DRHP. For details in relation to allocation, the Bidder may refer to the RHP.
- Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- In case of under subscription in the issue, spill-over to the extent of such under- subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

#### **Allotment Procedure and Basis of Allotment**

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue. However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

## **BASIS OF ALLOTMENT**

- **For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

- **For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

- **For QIBs**

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment shall be undertaken in the following manner:

- (a) In the first instance allocation to Mutual Funds for [●]% of the QIB Portion shall be determined as follows:
  - (i) In the event that Bids by Mutual Fund exceeds [●]% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for [●]% of the QIB Portion.
  - (ii) In the event that the aggregate demand from Mutual Funds is less than [●]% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price;
  - (iii) Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- (b) In the second instance Allotment to all QIBs shall be determined as follows:
  - (i) In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for [●]% of the QIB Portion.
  - (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a

minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.

- (iii) Under-subscription below [●]% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

- **Allotment To Anchor Investor (If Applicable)**

- (a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:

- (i) not more than 60% of the QIB Portion will be allocated to Anchor Investors;
- (ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
- (iii) allocation to Anchor Investors shall be on a discretionary basis and subject to: a maximum number of two Anchor Investors for allocation up to ₹ 2 crores; a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and in case of allocation above twenty five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty five crore rupees and an additional 10 such investors for every additional twenty five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.

- (b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

Anchor Investors will be sent a revised CAN within 1 (one) day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

**BASIS OF ALLOTMENT FOR QIBS (OTHER THAN ANCHOR INVESTORS) AND NIIS IN CASE OF OVER SUBSCRIBED ISSUE**

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the BSE SME (SME platform of BSE) (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- (a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- (b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- (c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - (i) Each successful Bidder shall be allotted [●] equity shares; and
  - (ii) The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category

is equal to the number of Shares worked out as per (b) above.

- (d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- (e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this DRHP.

**Retail Individual Investor' means an investor who applies for shares of value of not more than ₹2,00,000/-.** Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

**Flow of Events from the closure of Bidding period (T DAY) Till Allotment:**

- On T Day, RTA To validate the electronic bid details with the depository records and also reconcile the final certificates received from the Sponsor Bank for UPI process and the SCSBs for ASBA and Syndicate ASBA process with the electronic bid details.
- RTA identifies cases with mismatch of account number as per bid file / FC and as per applicant's bank account linked to depository demat account and seek clarification from SCSB to identify the applications with third party account for rejection.
- Third party confirmation of applications to be completed by SCSBs on T+1 day.
- RTA prepares the list of final rejections and circulate the rejections list with BRLM(s)/ Company for their review/ comments.
- Post rejection, the RTA submits the basis of allotment with the Designated Stock Exchange (DSE).
- The DSE, post verification approves the basis and generates drawal of lots wherever applicable , through a random number generation software.
- The RTA uploads the drawal numbers in their system and generates the final list of allottees as per process mentioned below .:

**Process for generating list of allottees: -**

- On the basis of the above, the RTA will work out the allottees , partial allottees and non- allottees, prepare the fund transfer letters and advice the SCSBs to debit or unblock the respective accounts. system reverses it to 12345687 and if the ratio of allottees to applicants in a category is 2:7 then the system will create lots of 7. If the drawal of lots provided by DSE is 3 and 5 then the system will pick every 3rd and 5th application in each of the lot of the category and these application s will be allotted the shares in that category.
- In categories where there is proportionate allotment, the Registrar will prepare the proportionate working based on the oversubscription times.
- In categories where there is undersubscription, the Registrar will do full allotment for all valid applications.

On the basis of the above, the RTA will work out the allottees , partial allottees and non- allottees , prepare the fund transfer letters and advise the SCSBs to debit or unblock the respective accounts.

#### **Issuance of Allotment Advice**

- Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue. The Book Running Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.
- Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within such time as may be prescribed under the applicable laws from the Issue Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within 1 (one) working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

**The Executive Director/ Managing Director of BSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.**

#### **Designated Date:**

On the Designated date, the SCSBs shall transfers the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue. The Company will issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within such working days as may be required under applicable law from the Issue Closing date.

The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

#### **Instructions for Completing the Bid Cum Application Form**

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. [www.bsesme.com](http://www.bsesme.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Issue with effect front January 01, 2016. The List of DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. [www.bsesme.com](http://www.bsesme.com)

#### **Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid

Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected. Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

### **Submission of Bid Cum Application Form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

### **Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

### **Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at BSE SME where the Equity Shares are proposed to be listed are taken within 3 (Three) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 3 (Three) days of the Issue Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 2 (Two) working days of the Issue Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

### **Right to Reject Applications**

In case of QIB Bidders, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

## **Impersonation**

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

“Any person who—

- A. *makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- B. *makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- C. *otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, for fraud involving an amount of at least ₹10 lakhs or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months period extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹10 lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹50 lakhs or with both.

## **Undertakings by our Company**

Our Company undertakes the following:

- (i) the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;
- (ii) that if the Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable laws, failing which interest will be due to be paid to the Bidders at the rate prescribed under the applicable laws for the delayed period;
- (iii) that all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within 3 (three) Working Days of the Bid/Issue Closing Date or such other time as may be prescribed under the applicable laws;
- (iv) the funds required for making refunds/ unblocking (to the extent applicable) to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;
- (v) where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the Bidder within the time prescribed under applicable laws, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- (vi) that if our Company does not proceed with the Issue after the Bid/Issue Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within such time as may be prescribed under the applicable laws of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly
- (vii) that if our Company, in consultation with the BRLM, withdraw the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh draft Issue document with the SEBI, in the event our Company subsequently decides to proceed with the Issue thereafter
- (viii) Promoter’s contribution, if any, shall be brought in advance before the Bid / Issue Opening Date
- (ix) that adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors; and
- (x) no further issue of Equity Shares shall be made until the Equity Shares Issued through the Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.

### **Undertakings of Issue Proceeds**

The Board of Directors of our Company certifies that:

- i. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- ii. Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- iii. Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested;
- iv. Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue;
- v. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received and
- vi. The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactorily.



## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA.

While the Industrial Policy, 1991 has prescribed the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government of India has from time to time made policy pronouncements on foreign direct investment ("**FDI**") through press notes and press releases.

The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, GoI, earlier known as Department of Industrial Policy and Promotion ("**DPIIT**") has issued the Consolidated FDI Policy Circular of 2020 ("**FDI Policy**") by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by DPIIT that were in force and effect as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular. Foreign investment of upto 100% is currently permitted under the automatic route for our Company.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route as per the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits provided under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country ("**Restricted Investors**"), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India, has also made a similar amendment to the FEMA Rules. Each Applicant should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Applicant shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

**The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any 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 applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers, and sales occur.**

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

**The above information is given for the benefit of the Applicants. Our Company, and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may**

**occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.**

For further details, see “*Issue Procedure*” beginning on page 320.

## **SECTION VIII – DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION**

*Pursuant to the Companies Act and the SEBI ICDR Regulations, the Description of Equity Shares and Terms of the Articles of Association are detailed below. Capitalised terms used in this section have the meaning given to them in the Articles of Association. Each provision below is numbered as per the corresponding article number in the Articles of Association and defined terms herein have the meaning given to them in the Articles of Association.*

The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed at the Extraordinary General Meeting held on, March 9, 2024 in substitution for and to the entire exclusion of, the regulations contained in the existing Articles of Association of the Company.

### **MAIN PROVISIONS OF ARTICLES OF ASSOCIATION**

#### **Article 1**

1. The regulation contained in the Table marked 'F' in Schedule F to the Companies Act, 2013 as amended from time to time, shall not apply to the company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.

#### **Article 2**

2. The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration or addition to its regulations by resolutions as prescribed or permitted by the Companies Act 2013, as amended from time to time, be such as are contained in these Articles.

### **INTERPRETATION**

- (1) In these regulations—
  - (a) "The Act" means the Companies Act, 2013.
  - (b) "The seal" means the common seal of the company.
- (2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

### **PUBLIC COMPANY**

- (3) "Public company" means a company which—
  - (a) is not a private company;
  - (b) has a minimum paid-up share capital, as may be prescribed:

Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its article.

### **SHARE CAPITAL AND VARIATION OF RIGHTS**

1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.
2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or

- transmission or within such other period as the conditions of issue shall be provided,—
- (a) One certificate for all his shares without payment of any charges; or
  - (b) Several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
  - (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
  - (ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.
4. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.
5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made there under.
  - (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
  - (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.
6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.
  - (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.
8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

## **Lien**

9. (i) The company shall have a first and paramount lien—
- (a) On every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
  - (b) On all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

- (ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.
10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made—

- (a) Unless a sum in respect of which the lien exists is presently payable; or
  - (b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.
11. (i) To give effect to any such sale, the Board may authorize some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
  - (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

#### **CALLS ON SHARES**

13. (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times: Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
- (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.
  - (iii) A call may be revoked or postponed at the discretion of the Board.
14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.
15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.

17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
18. The Board—
  - (a) May, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
  - (b) Upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.

### **TRANSFER OF SHARES**

19. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
20. The Board may, subject to the right of appeal conferred by section 58 declines to register—
  - (a) The transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
  - (b) Any transfer of shares on which the company has a lien.
21. The Board may decline to recognize any instrument of transfer unless—
  - (a) The instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
  - (b) The instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
  - (c) The instrument of transfer is in respect of only one class of shares.
22. On giving not less than seven days' previous notice in accordance with section 91 and rules made there under, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

### **TRANSMISSION OF SHARES**

23. (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares.
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
24. (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either—
  - (a) To be registered himself as holder of the share; or
  - (b) To make such transfer of the share as the deceased or insolvent member could have made.

- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.
25. (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.
26. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

#### **FORFEITURE OF SHARES**

27. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.
28. The notice aforesaid shall—
- (a) Name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
  - (b) State that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
29. If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
30. (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
31. (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
- (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
32. (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;

- (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
  - (iii) The transferee shall thereupon be registered as the holder of the share; and
  - (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
33. The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

#### **ALTERATION OF CAPITAL**

34. The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
35. Subject to the provisions of section 61, the company may, by ordinary resolution,—
- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
  - (b) Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
  - (c) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
  - (d) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
36. Where shares are converted into stock,—
- (a) The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:  
Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
  - (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
  - (c) Such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stockholder” respectively.
37. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law—
- (a) Its share capital;
  - (b) Any capital redemption reserve account; or
  - (c) Any share premium account.

#### **CAPITALIZATION OF PROFITS**

38. (i) The company in general meeting may, upon the recommendation of the Board, resolve—
- (a) That it is desirable to capitalize any part of the amount for the time being Standing to the credit of any of the company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and



- (b) That such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—
  - (A) paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - (B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;
  - (C) Partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
  - (D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
  - (E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
- 39. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall—
  - (a) Make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and
  - (b) Generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power—
  - (a) To make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
  - (b) To authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;
- (iii) Any agreement made under such authority shall be effective and binding on such members.

#### **BUY-BACK OF SHARES**

- 40. Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

#### **GENERAL MEETINGS**

- 41. All general meetings other than annual general meeting shall be called extraordinary general meeting.
- 42. (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.
- (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

#### **PROCEEDINGS AT GENERAL MEETINGS**

- 43. (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

- (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.
- 44. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
- 45. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
- 46. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

#### **ADJOURNMENT OF MEETING**

- 47. (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

#### **VOTING RIGHTS**

- 48. Subject to any rights or restrictions for the time being attached to any class or classes of shares,—
  - (a) on a show of hands, every member present in person shall have one vote; and
  - (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
- 49. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.
- 50. (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- (ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.
- 51. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
- 52. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
- 53. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.
- 54. (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

## **PROXY**

55. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
56. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
57. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

## **BOARD OF DIRECTORS**

58. The following shall be the first directors of the Company:
- (i) Himanshu Lohia
  - (ii) Subodh Lohia
59. (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them—
- (a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
  - (b) in connection with the business of the company.
60. The Board may pay all expenses incurred in getting up and registering the company.
61. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
62. All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
63. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
64. (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
- (ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

## **PROCEEDINGS OF THE BOARD**

65. (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate

- its meetings, as it thinks fit.
- (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
66. (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
67. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
68. (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their numbers to be Chairperson of the meeting.
69. (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.
70. (i) A committee may elect a Chairperson of its meetings.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.
71. (i) A committee may meet and adjourn as it thinks fit.
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.
72. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
73. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.
74. Subject to the provisions of the Act,—
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
- (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
75. A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

## **THE SEAL**

76. (i) The Board shall provide for the safe custody of the seal.  
(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

## **DIVIDENDS AND RESERVE**

77. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
78. Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
79. (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.  
(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
80. (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.  
(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.  
(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
81. The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
82. (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.  
(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
83. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
84. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
85. No dividend shall bear interest against the company.

## **ACCOUNTS**

86. (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
- (ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorized by the Board or by the company in general meeting.

## **WINDING UP**

87. Subject to the provisions of Chapter XX of the Act and rules made there under—
- (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
- (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

## **INDEMNITY**

88. Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favor or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

## SECTION IX – 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 the Red Herring Prospectus) which are or may be deemed material were attached to the copy of the Red Herring Prospectus and delivered to RoC for registration. Copies of these contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10.00 a.m. and 5.00 p.m. on all Working Days from the date of the Draft Red Herring Prospectus until the Issue Closing Date.

#### A. Material Contracts

1. Issue Agreement dated September 17, 2024 entered into between our Company and the Book Running Lead Manager.
2. Registrar agreement dated August 26, 2024 entered into between our Company, and the Registrar to the Issue.
3. Tripartite Agreement dated April 5, 2024 between CDSL, our Company and the Registrar to the Issue.
4. Tripartite Agreement dated April 5, 2024 between NSDL, our Company and the Registrar to the Issue
5. Escrow and Sponsor Bank Agreement dated [●] between our Company, the Book Running Lead Manager, the Syndicate Members, the Escrow Collection Bank(s), Sponsor Bank(s), Refund Bank(s) and the Registrar to the Issue
6. Syndicate Agreement dated of [●] between our Company, the Book Running Lead Manager, the Syndicate Members and Registrar to the Issue
7. Market Making Agreement dated [●] between our Company, Book Running Lead Manager and Market Maker.
8. Underwriting Agreement dated of [●] between our Company, the Book Running Lead Manager and the Underwriters.

#### B. Material Documents

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Certificate of incorporation dated January 01, 2020.
3. Fresh certificate of incorporation dated May 18, 2024, pursuant to conversion from private limited company into public limited company.
4. Resolution of the Board of Directors dated July 30, 2024 authorising the Issue and other related matters.
5. Shareholders' Resolution passed at the Extra-ordinary General Meeting of the Company held on August 3, 2024 authorizing the Issue and other related matters.
6. Resolution of the Board dated September 17, 2024 approving the Draft Red Herring Prospectus for filing with the Stock Exchange.
7. Copies of annual reports of our Company for the Fiscals 2023 and 2022 and audited financials for the Fiscal 2024.

8. The examination report dated August 28, 2024, of our Statutory Auditor on our Restated Financial Statements.
9. Statement of Possible Special Tax Benefits dated September 13, 2024, issued by Statutory Auditor included in this Prospectus.
10. Certificate from Bagaria & Co. LLP, Chartered Accountants, dated September 13, 2024 regarding the Key Performance indicators of our Company.
11. Consents of our Promoters, Directors, Chief Financial Officer, Company Secretary and Compliance Officer, Senior Managerial Personnel, BRLM, Legal Counsel to the Issue, Registrar to the Issue, Bankers to the Issue, Bankers to our Company, Market Maker to the Issue, Underwriters and Syndicate Members as referred to in their specific capacities.
12. Consent dated September 13, 2024 from Bagaria & Co. LLP., Chartered Accountants to include their name as required under Section 26(5) of the Companies Act read with SEBI ICDR Regulations and referred to as an “expert” as defined under Section 2(38) of the Companies Act to the extent and in their capacity as the Statutory Auditor, and for inclusion of their examination report dated August 28, 2024 on examination of our Restated Financial Statements and the statement of possible special tax benefits dated September 13, 2024 in the form and context in which it appears in this Prospectus.
13. Due diligence Certificate dated [●] issued by the BRLM.
14. In-principle listing approval dated [●] from BSE SME.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the rules, or the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE DIRECTOR & CHIEF FINANCIAL OFFICER OF OUR COMPANY**

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**HIMANSHU LOHIA**  
**MANAGING DIRECTOR & CHIEF FINANCIAL OFFICER**

**DIN:** 08564450

**Place:** Dehradun

**Date:** September 17, 2024

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the rules, or the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

## **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**SUBODH LOHIA**  
**WHOLE-TIME DIRECTOR**

**DIN:** 08564451

**Place:** Dehradun

**Date:** September 17, 2024

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the rules, or the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**SAUNDARYA LOHIA**  
**NON-EXECUTIVE DIRECTOR**

**DIN:** 10569126

**Place:** Dehradun

**Date:** September 17, 2024

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the rules, or the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

## **SIGNED BY THE DIRECTORS OF OUR COMPANY**

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**KUMAR SHARAT CHANDRA**  
**INDEPENDENT DIRECTOR**

**DIN:** 09713628

**Place:** Dehradun

**Date:** September 17, 2024

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the rules, or the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Red Herring Prospectus are true and correct.

## **SIGNED BY THE DIRECTORS OF OUR COMPANY**

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**JYOTI SUDHIR**  
**INDEPENDENT DIRECTOR**

**DIN:** 05117740

**Place:** Dehradun

**Date:** September 17, 2024