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**AESTHETIK ENGINEERS LIMITED**  
CIN: U74210WB2008PLC124716

**Draft Red Herring Prospectus**

Dated: May 03, 2024

**100% Book Building Offer**

Please read Section 26 and 32 of Companies Act, 2013

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	EMAIL & TELEPHONE	WEBSITE
1858/1, 5th Floor, Unit 503-505, Acropolis Mall, Rajdanga Main Road, Kasba, Kolkata, West Bengal-700107, India	N.A.	Ms. Priyanka Gupta Company Secretary & Compliance Officer	<a href="mailto:cs@aesthetic.in">cs@aesthetic.in</a> & +91 9836000052	<a href="http://www.aesthetic.in">www.aesthetic.in</a>
<b>NAME OF THE PROMOTERS OF THE COMPANY</b>				
Mr. Avinash Agarwal, Ms. Sreeti Agarwal, Ms. Manisha Sureka and M/s Avinash Agarwal (HUF)				
<b>DETAILS OF OFFER TO PUBLIC, PROMOTERS/SELLING SHAREHOLDERS</b>				
Type	Fresh Issue Size (by No. of shares)	OFS* Size (by No. of shares)	Total Issue Size (by No. of shares)	Eligibility & Share Reservation among NII & RII
Fresh Issue	45,64,000	NIL	45,64,000	The Offer is being made pursuant to Regulation 229(2) of SEBI (ICDR) Regulations. For details of Share reservation among QIBs, NIIs and RIIs, see "Issue Structure" beginning on page 326.
*OFS: Offer for Sale				
<b>Details of OFS by Promoter(s)/ Promoter Group/ Other Selling Shareholders (upto maximum of 10 shareholders)</b>				
Name	Type	No. of shares offered/ Amount in Rs.	WACA in Rs. Per Equity Shares	
NA				
P: Promoter, PG: Promoter Group, OSS: Other Selling Shareholders, WACA: Weighted Average Cost of Acquisition on fully diluted basis				
<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 our Equity Shares is ₹10 each and the Floor Price and Cap Price are [●] times and [●] times of the face value of the Equity Shares, respectively. The Floor Price, Cap Price and Issue Price (determined and justified by our Company in consultation with the Book Running Lead Manager as stated in "Basis for Issue Price" on page 92 of this Draft Red Herring Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.				
<b>GENERAL RISK</b>				
Investments in Equity and Equity related securities involve a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Draft Red Herring Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 26 of this Draft Red Herring Prospectus.				
<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 this 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 make 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 of our Company offered through this Draft Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated [●] from National Stock Exchange of India Limited for using its name in the Draft Red Herring Prospectus for listing of our shares on the Emerge Platform of National Stock Exchange of India Limited. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange.				
<b>BOOK RUNNING LEAD MANAGER TO THE ISSUE</b>			<b>REGISTRAR TO THE ISSUE</b>	
 <b>NARNOLIA FINANCIAL SERVICES LIMITED</b> <b>Address:</b> 201, 2nd Floor, Marble Arch, 236 B A.J.C Bose Road, Kolkata, West Bengal- 700020, India <b>Telephone:</b> +91- 8130678743 <b>Email:</b> <a href="mailto:pankaj.passi@namolia.com">pankaj.passi@namolia.com</a> <b>Website:</b> <a href="http://www.narnolia.com">www.narnolia.com</a> <b>Contact Person:</b> Mr. Pankaj Pasi <b>SEBI Registration Number:</b> INM000010791 <b>CIN:</b> U51909WB1995PLC072876			 <b>SKYLINE FINANCIAL SERVICES PRIVATE LIMITED</b> <b>Address:</b> D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020 <b>Telephone:</b> +91-11-40450193-97 <b>Fax No:</b> +91-11-26812683 <b>Email:</b> <a href="mailto:compliances@skylinerta.com">compliances@skylinerta.com</a> <b>Website:</b> <a href="http://www.skylinerta.com">www.skylinerta.com</a> <b>Contact Person:</b> Mr. Pawan Bisht <b>SEBI Registration Number:</b> INR000003241 <b>CIN:</b> U74899DL1995PTC071324	
<b>BID/ISSUE PERIOD</b>				
<b>Anchor Bid opens on: [●]</b>		<b>Bid/ Issue open on: [●]</b>		<b>Bid/ Issue Closes on: [●]</b>

## AESTHETIK ENGINEERS LIMITED

Our Company was incorporated as a Private Limited Company under the Companies Act, 1956 in the name and style of "Aesthetic Engineers Private Limited" bearing Certificate of Incorporation Number U74210WB2008PTC124716 issued by the Registrar of Companies, Kolkata dated April 02, 2008 upon takeover of the existing partnership firm namely "M/s Aesthetic". Further, our Company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra-Ordinary General Meeting held on December 18, 2023 and the name of our Company changed from "Aesthetic Engineers Private Limited" to "Aesthetic Engineers Limited" & Registrar of Companies, Kolkata issued a new certificate of incorporation consequent upon conversion dated January 24, 2024. As on date of this Draft Red Herring Prospectus, the Corporate Identification Number of our Company is U74210WB2008PLC124716. For further details of incorporation please refer to section titled "Our History and Certain Other Corporate Matters" beginning on page 160 of this Draft Red Herring Prospectus.

**Registered Office:** 1858/1, 5th Floor, Unit 503-505, Acropolis Mall, Rajdanga Main Road, Kasba, Kolkata, West Bengal-700107, India

**Tel:** +91 9836000052, **Fax:** N.A., **Website:** [www.aesthetic.in](http://www.aesthetic.in), **E-mail:** [cs@aesthetic.in](mailto:cs@aesthetic.in)

**Company Secretary and Compliance Officer:** Ms. Priyanka Gupta

**PROMOTERS:** MR. AVINASH AGARWAL, MS. SREETI AGARWAL, MS. MANISHA SUREKA AND M/S AVINASH AGARWAL (HUF)

### THE ISSUE

**INITIAL PUBLIC OFFERING OF UP TO 45,64,000 EQUITY SHARES OF RS. 10/- EACH ("EQUITY SHARES") OF AESTHETIK ENGINEERS LIMITED ("AESTHETIK" OR "AEL" OR THE "COMPANY") FOR CASH AT A PRICE OF RS. [●]/- PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING TO RS. [●] LAKHS ("THE ISSUE"). OUT OF THE ISSUE, 2,32,000 EQUITY SHARES AGGREGATING TO RS. [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 43,32,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH AT AN ISSUE PRICE OF RS. [●]/- PER EQUITY SHARE AGGREGATING TO RS. [●] LAKHS IS HERINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.50 % AND 25.16 %, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**THE FACE VALUE OF THE EQUITY SHARES IS RS.10/- EACH AND THE FLOOR PRICE AND CAP PRICE ARE [●] TIMES AND [●] TIMES OF THE FACE VALUE OF THE EQUITY SHARES, RESPECTIVELY.**

The price band and the minimum bid lot will be decided by our company, in consultation with the book running lead manager and will be advertised in all editions of [●] (which are widely circulated English daily newspaper) and all editions of [●] (which are widely Hindi daily newspaper) and all editions of [●] the regional language of West Bengal, where our registered office is located, at least two working days prior to the bid/ offer opening date and shall be made available to national stock exchange of India limited ("NSE", "stock exchange") for the purpose of uploading on their respective website.

This Issue is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 229 of the SEBI ICDR Regulations and in compliance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company in consultation with the BRLM may allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) ("Net QIB Portion"). Further, 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than 5.00% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15.00% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35.00% of the Net Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All Bidders, other than Anchor Investors, are required to participate in the Offer by mandatorily utilising the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Account (as defined hereinafter) in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see "Issue Procedure" on page 288.

### RISKS IN RELATION TO FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is Rs.10. The Issue Price, Floor Price or the Price band as stated under the chapter titled "Basis for the Issue Price" beginning on page 92 of this Draft Red Herring Prospectus should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue, including the risks involved. The Equity Shares 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 titled "Risk Factors" beginning on page 26 of this Draft Red Herring Prospectus.

### ISSUER'S ABSOLUTE RESPONSIBILITY

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 this 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 make 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 of our Company offered through this Draft Red Herring Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited in terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time. Our Company has received an approval letter dated [●] from National Stock Exchange of India Limited for using its name in the Draft Red Herring Prospectus for listing of our shares on the Emerge Platform of National Stock Exchange of India Limited. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange.

### BOOK RUNNING LEAD MANAGER TO THE ISSUE



**NARNOLIA FINANCIAL SERVICES LIMITED**

**Address:** 201, 2nd Floor, Marble Arch, 236 B A.J.C Bose Road, Kolkata, West Bengal- 700020, India

**Telephone:** +91- 8130678743; **Email:** [pankaj.passi@narnolia.com](mailto:pankaj.passi@narnolia.com)

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

**Contact Person:** Mr. Pankaj Passi

**SEBI Registration Number:** INM000010791

**CIN:** U51909WB1995PLC072876

### REGISTRAR TO THE ISSUE



**SKYLINE FINANCIAL SERVICES PRIVATE LIMITED**

**Address:** D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020

**Telephone:** +91-11-40450193-97, **Fax No:** +91-11-26812683

**Email:** [compliances@skylinerta.com](mailto:compliances@skylinerta.com)

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

**Contact Person:** Mr. Pawan Bisht

**SEBI Registration Number:** INR000003241

**CIN:** U74899DL1995PTC071324

### BID/ISSUE PERIOD

**Anchor Bid opens on:** [●]

**Bid/ Issue open on:** [●]

**Bid/ Issue Closes on:** [●]

***THIS PAGE HAS BEEN LEFT BLANK PURSUANT TO SCHEDULE VI OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.***



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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

*Unless the context otherwise indicates, requires or implies, the following terms shall have the following meanings in this Draft Red Herring Prospectus. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments, modifications or re-enactments notified thereto.*

*Notwithstanding the foregoing, terms in “Main Provisions of the Articles of Association”, “Statement of Special Tax Benefits”, “Industry Overview”, “Key Industry Regulations and Policies”, “Financial Statements”, “Outstanding Litigation and Other Material Developments”, will have the meaning ascribed to such terms in these respective sections.*

*In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.*

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

#### General Terms

Term	Description
“Aesthetik Engineers Limited” or “AEL” or “Aesthetik”, “We” or “us” or “the Issuer” or “the/our Company”	Unless the context otherwise requires, refers to Aesthetik Engineers Limited, a company incorporated under the Companies Act, 1956, vide Corporate Identification Number U74210WB2008PLC124716 and having registered office at 1858/1, 5th Floor, Unit 503-505, Acropolis Mall, Rajdanga Main Road, Kasba, Kolkata, West Bengal-700107, India.
“you”, “your”, or “yours”	Prospective Investor in this issue

#### Company Related Terms

Terms	Description
Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of Aesthetik Engineers Limited, as amended from time to time.
Associate Companies	A body corporate in which any other company has a significant influence, but which is not a subsidiary of the company having such influence and includes a joint venture company.
Audit Committee	The committee of the Board of Directors constituted as the Company’s Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled “Our Management” on page 165 of this Draft Red Herring Prospectus.
Auditors/ Statutory Auditors	The Statutory Auditors of our Company, being M/s Maroti & Associates, Chartered Accountants having firm registration number 322770E and peer review certificate number 015687.
Board of Directors / Board/ Director(s)	The Board of Directors of Aesthetik Engineers Limited, including all duly constituted committees thereof.
Central Registration Centre (CRC)	It’s an initiative of Ministry of Corporate Affairs (MCA) in Government Process Re-engineering (GPR) with the specific objective of providing speedy

<b>Terms</b>	<b>Description</b>
	incorporation related services in line with global best practices. For more details please refer <a href="http://www.mca.gov.in/MinistryV2/central+registration+centre+content+page.html">http://www.mca.gov.in/MinistryV2/central+registration+centre+content+page.html</a>
Companies Act	The Companies Act, 2013
Chief Financial Officer	The Chief Financial Officer of our Company being Mr. Jai Kishan Ojha.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Ms. Priyanka Gupta.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Director	The Director(s) of our Company, unless otherwise specified.
Equity Shares	Equity Shares of our Company of Face Value of Rs.10/- each unless otherwise specified in the context thereof.
Equity Shareholders	Persons holding equity shares of our Company.
Group Companies	In terms of SEBI ICDR Regulations, the term “Group Companies” includes companies (other than promoters and subsidiary) with which there were related party transactions as disclosed in the Restated Financial Statements as covered under the applicable accounting standards, and any other companies as considered material by our Board, in accordance with the Materiality Policy, as described in “Our Group Companies” on page 187 of this Draft Red Herring Prospectus.
HUF	Hindu Undivided Family.
Independent Director	A Non- executive, Independent Director as per the Companies Act, 2013 and the Listing Regulations.
Indian GAAP	Generally Accepted Accounting Principles in India.
ISIN	International Securities Identification Number, in this case being INE0T5F01011.
Key Managerial Personnel / Key Managerial Employees	Key Management Personnel of our Company in terms of the SEBI Regulations and the Companies Act, 2013. For details, see section entitled “Our Management” on page 165 of this Draft Red Herring Prospectus.
MOA / Memorandum of Association	Memorandum of Association of Aesthetik Engineers Limited.
Non-Residents	A person resident outside India, as defined under FEMA.
Nomination and Remuneration Committee	The committee of the Board of Directors constituted as the Company’s Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled “Our Management” on page 165 of this Draft Red Herring Prospectus.
NRIs / Non-Resident Indians	A person resident outside India, as defined under FEMA Regulation and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 as amended from time to time.
Peer Review Auditor	Statutory Auditor having a valid Peer Review certificate in our case being M/s Maroti & Associates, Chartered Accountants (FRN: 322770E) having their office at Diamond Heritage, 5th Floor, Unit- N503, 16, Strand Road, Fairley Place, Kolkata- 700001.

<b>Terms</b>	<b>Description</b>
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validity constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Promoters or Our Promoters	Mr. Avinash Agarwal, Ms. Sreeti Agarwal, Ms. Manisha Sureka and M/s Avinash Agarwal (HUF).
Promoters Group	The companies, individuals and entities (other than companies) as defined under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018, which is provided in the chapter titled “Our Promoters Group”. For further details refer page 186 of this Draft Red Herring Prospectus.
Registered Office	The Registered of our company which is located at 1858/1, 5th Floor, Unit 503-505, Acropolis Mall, Rajdanga Main Road, Kasba, Kolkata, West Bengal-700107, India.
Restated Financial Statements	The Restated Financial statements of our Company, which comprises the restated statement of Assets and Liabilities for Nine months ended as at December 31, 2023 & for year ended as at March 31, 2023; March 31, 2022; & March 31, 2021 and the restated statements of profit and loss and the restated cash flows for Nine months ended as on December 31, 2023 & for the period ended March 31, 2023; March 31, 2022; & March 31, 2021 of our Company prepared in accordance with Ind AS and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018, as amended from time to time, and the Revised Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, together with the schedules, notes and annexure thereto.
RoC	Registrar of Companies, Kolkata.
SEBI	Securities and Exchange Board of India, constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time.
SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI (LODR) Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
SEBI (Takeover) Regulations or SEBI (SAST) Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
Stakeholders’ Relationship Committee	The committee of the Board of Directors constituted as the Company’s Stakeholders’ Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled “Our Management” on page 165 of this Draft Red Herring Prospectus.
Stock Exchange	Unless the context requires otherwise, refers to, the Emerge Platform of National Stock Exchange of India Limited.
Subsidiary	For details of our Subsidiary, refer section titled “History and Certain Corporate Matters” beginning on page no. 160 of this Draft Red Herring Prospectus.
Subscribers to MOA	Initial Subscribers to the MOA & AOA being Mr. Avinash Agarwal and Mr. Santosh Mishra.

**Issue Related Terms**

<b>Terms</b>	<b>Description</b>
Abridged Prospectus	Abridged Prospectus to be issued as per SEBI ICDR Regulations and appended to the Application Form.
Acknowledgement Slip	The slip or document issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form.
Allocation Note	Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Allotment/ Allot/ Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue to the successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee	The successful applicant to whom the Equity Shares are being /have been allotted.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Draft Red Herring Prospectus/ Red Herring Prospectus and who has Bid for an amount of at least Rs. 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/ 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/Offer 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/ Red Herring Prospectus and the Prospectus.
Anchor Investor Bidding Date	The day, being one Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the Book Running Lead Manager will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed.
Anchor Investor Offer Price	The final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company in consultation with the BRLM.
Anchor Investor Portion	Up to 60% of the QIB Portion, which may be allocated by our Company, in consultation with the BRLM, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, out of which one third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations.
Applicant/ Investor	Any prospective investor who makes an application for Equity Shares of our Company in terms of this Draft Red Herring Prospectus.
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Draft Red Herring Prospectus.
Application Form	The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue.

<b>Terms</b>	<b>Description</b>
ASBA/ Application Supported by Blocked Amount.	Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB.
ASBA Account	Account maintained with an SCSB and specified in the Application Form which will be blocked by such SCSB or account of the RIIs blocked upon acceptance of UPI Mandate request by RIIs using the UPI mechanism to the extent of the appropriate Bid / Application Amount in relation to a Bid / Application by an ASBA Applicant.
ASBA Application Location(s)/ Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Hyderabad, Pune, Baroda and Surat.
ASBA Investor/ASBA applicant	Any prospective investor(s)/applicants(s) in this Issue who apply(ies) through the ASBA process.
Banker(s) to the Issue/ Public Issue Bank/ Refund Banker.	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being [●].
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Applicants under the issue and which is described under chapter titled “Issue Procedure” beginning on page 288 of this Draft Red Herring Prospectus.
Bid	An indication to make an Offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor, pursuant to the submission of a Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus and the Bid cum Application Form.
Bidder	Any investor who makes a Bid pursuant to the terms of the Draft Red Herring Prospectus/ Red Herring Prospectus and the Bid cum Application Form, and unless otherwise stated or implied, includes an Anchor Investor.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of RIBs Bidding at the Cut off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RIBs and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid
Bid cum Application Form	Anchor Investor application form or ASBA form (with and without the use of UPI, as may be applicable), whether physical or electronic, which will be considered as the application for Allotment in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus.
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter.
Bidding/Collection Centres	Centres at which the Designated intermediaries shall accept the ASBA Forms, i.e Designated SCSB Branch for SCSBs, specified locations for syndicate, broker centre for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs.
Book Building Process	The book building process, as described in Part A, Schedule XIII of the SEBI ICDR Regulations, in terms of which the Issue will be made
Book Running Lead Manager or BRLM	The book running lead manager to the Issue, namely Narnolia Financial Services Limited.

<b>Terms</b>	<b>Description</b>
Business Day	Monday to Friday (except public holidays).
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to Anchor investors indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the designated stock exchange.
Cap Price	The higher end of the Price Band, above which the Offer Price and Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted. The Cap Price shall be atleast 105% of the Floor Price.
Client ID	Client Identification Number maintained with one of the Depositories in relation to Demat account.
Collecting Depository Participants or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 Issued by SEBI.
Controlling Branch	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchange and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> , or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their address, PAN, occupation and bank account details.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants and a list of which is available at <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> , or at such other website as may be prescribed by SEBI from time to time.
Designated Date	The date on which relevant amounts blocked by SCSBs are transferred from the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIIs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, in terms of the Draft Red Herring Prospectus following which Equity Shares will be Allotted in the Offer.
Designated Intermediaries/ Collecting Agent	In relation to ASBA Forms submitted by RIIs authorizing an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub- syndicate members, Registered Brokers, CDPs and RTAs.
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e. <a href="http://www.nseindia.com">www.nseindia.com</a> .
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at Intermediaries [ <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ] or at such other website as may be prescribed by SEBI from time to time.

Terms	Description
Designated Stock Exchange	Emerge Platform of National Stock Exchange of India Limited. (NSE EMERGE).
Draft Red Herring Prospectus	This Draft Red Herring Prospectus dated May 03, 2024 issued in accordance with Section 26 and 32 of the Companies Act, 2013 and the SEBI (ICDR) Regulations and filed with NSE Emerge for obtaining In- Principle Approval.
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Draft Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein.
Emerge Platform of NSE Limited	The EmERGE Platform of National Stock Exchange of India Limited for listing equity shares offered under Chapter IX of the SEBI (ICDR) Regulation which was approved by SEBI as an SME Exchange.
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/ Sole Applicant	The applicant whose name appears first in the Application Form or Revision Form.
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalized and below which no Bids will be accepted.
General Information Document / GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and certain other amendments to applicable laws and updated pursuant to the circular (CIR/CFD/POLICYCELL/11/2015) dated November 10, 2015, the circular (CIR/CFD/DIL/1/2016) dated January 1, 2016 and (SEBI/HO/CFD/DIL/CIR/P/2016/26) dated January 21, 2016 and circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 notified by SEBI and included in the chapter “Issue Procedure” on page no. 288 of this Draft Red Herring Prospectus.
Issue/ Issue Size/ Initial Public Offer/Initial Public Offering/ IPO	Initial Public Issue of 45,64,000 Equity Shares of face value of Rs.10/- each fully paid up of our Company for cash at a price of Rs. [●]/- per Equity Share (including a premium of Rs. [●]/- per Equity Share) aggregating Rs. [●] Lakhs.
Issue Agreement/ Memorandum of Understanding (MOU)	The agreement/MOU dated April 17, 2024 between our Company and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	The date on which Issue closes for subscription i.e. [●]
Issue Opening Date	The date on which Issue opens for subscription i.e. [●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective investors may submit their application.
Issue Price	The final price at which Equity Shares will be Allotted to successful ASBA Bidders in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus which 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 Draft Red Herring Prospectus/ Red Herring Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price, which will be decided by our Company in consultation with the BRLM, on the Pricing Date, in accordance with the Book-

Terms	Description
	Building Process and in terms of the Draft Red Herring Prospectus/ Red Herring Prospectus.
Issue Proceeds	Proceeds from the Issue will be, being Rs. [●] Lakhs.
Book Running Lead Manager/ BRLM/LM	Book Running Lead Manager to the Offer, in this case being Narnolia Financial Services Limited.
Listing Agreement	The equity listing agreement to be signed between our Company and the NSE Limited.
Market Maker	Market Makers appointed by our Company from time-to-time [●] having SEBI registration number [●] who have 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 any other period as may be notified by SEBI from time to time.
Market Making Agreement	The Agreement entered into between the BRLM, Market Maker and our Company dated [●].
Market Maker Reservation	The Reserved Portion of 2,32,000 equity shares of face value of Rs.10/- each fully paid for cash at a price of Rs. [●] /- per equity share aggregating Rs. [●] Lakh for the Market Maker in this Issue.
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net Issue/ Offer	The Issue (excluding the Market Maker Reservation Portion) of 43,32,000 Equity Shares of Rs.10/- each of Issuer at Rs. [●] /- (including share premium of Rs. [●] /- per equity share aggregating to Rs. [●] /- Lakhs.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled “Objects of the Issue” beginning on page 77 of this Draft Red Herring Prospectus.
Non-Institutional Applicants	All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have applied for Equity Shares for an amount more than Rs. 2,00,000.
OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trust in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under Foreign Exchange Management (Deposit) Regulations, 2000. OCBs are not allowed to invest in this Issue
Payment through electronic transfer of funds	Payment through ECS / NECS, Direct Credit, RTGS or NEFT, as applicable.
Price Band	The price band ranging from the Floor Price of Rs. [●] per Equity Share to the Cap Price of Rs. [●] per Equity Share, including any revisions thereto. The Price Band and minimum Bid Lot, as decided by our Company in consultation with the BRLM, will be advertised in all editions of [●] (a widely circulated English national daily newspaper) and all editions of [●] (a widely circulated Hindi national daily newspaper, all editions of [●] being the regional language of West Bengal, where our Registered Office is located), at least two Working Days prior to the Bid/Offer Opening Date with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites.

<b>Terms</b>	<b>Description</b>
Pricing Date	The date on which our Company, in consultation with the BRLM, will finalise the Offer Price.
Prospectus	The Prospectus to be filed with the RoC containing, inter alia, the Issue opening and closing dates and other information.
Public Issue Account	Account opened with the Banker to the Issue/Public Issue Bank i.e. [●] by our Company to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Qualified Institutional Buyers / QIBs	As defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of Rs. 2,500 Lakh, pension fund with minimum corpus of Rs. 2,500 Lakh, NIF and 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.
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 Offer Price and the size of the Offer, including any addenda or corrigenda thereto. The Red Herring Prospectus will be filed with the RoC at least three days before the Bid/Offer Opening Date.
Refund Account	Account(s) to which monies to be refunded to the Applicants shall be transferred from the Public Issue Account in case listing of the Equity Shares does not occur.
Refund Bank	The bank(s) which is/are clearing members and registered with SEBI as Banker(s) to the Issue, at which the Refund Account for the Issue will be opened in case listing of the Equity Shares does not occur, in this case being [●].
Refunds through electronic transfer of funds	Refunds through electronic transfer of funds means refunds through ECS, Direct Credit or RTGS or NEFT or the ASBA process, as applicable
Registrar/ Registrar to the Offer	Registrar to the Offer being Skyline Financial Services Private Limited. For more information please refer “General Information” on page 50 of this Draft Red Herring Prospectus.
Registrar Agreement	The agreement dated April 17, 2024 entered into between our Company and the Registrar to the issue in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer.
Regulations	Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
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 Rs. 2,00,000.
Revision Form	The form used by the Applicants to modify the quantity of the Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s). QIBs and Non-Institutional Investors are not allowed to withdraw or lower their Application Amounts (in terms of quantity of Equity Shares or the Application

Terms	Description
	Amount) at any stage. Retail Individual Applicants can withdraw or revise their Application until Offer Closing Date).
SCSB	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html</a> or at such other website as may be prescribed by SEBI from time to time.
Sponsor Bank	Sponsor Bank means a Banker to the Issue registered with SEBI which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the retail investors into the UPI. In this case being [●].
Underwriter	Underwriter to this Issue is [●].
Underwriting Agreement	The agreement dated [●] entered into between [●] and our Company
UPI/ Unified Payments Interface	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons bank accounts using a payment address which uniquely identifies a person's bank a/c
Working Days	In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working days means, all days on which commercial banks in the city as specified in this Draft Red Herring Prospectus are open for business. 1. However, in respect of announcement of price band and bid/ Offer period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the Draft Red Herring Prospectus are open for business. 2. In respect to the time period between the bid/ Offer closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the stock exchange, excluding Sundays and bank holidays in accordance with circular issued by SEBI.

#### Abbreviations

Abbreviation	Full Form
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
AY	Assessment Year
BIS	Bureau of Indian Standards
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax

<b>Abbreviation</b>	<b>Full Form</b>
DCS	Distributed Control System
DGFT	Directorate General of Foreign Trade
DIN	Director Identification Number
DP	Depository Participant
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EMDEs	Emerging Markets and Developing Economies
EPS	Earnings Per Share
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under
FIIIs	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India
FIPB	Foreign Investment Promotion Board
F&NG	Father and Natural Guardian
FY / Fiscal/Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
GDP	Gross Domestic Product
GoI/Government	Government of India
GST	Goods and Service Tax
HUF	Hindu Undivided Family
I.T. Act	Income Tax Act, 1961, as amended from time to time
ICSI	Institute of Company Secretaries of India
EPC	Engineering, Procurement and Construction
MAPIN	Market Participants and Investors' Integrated Database
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
NA	Not Applicable
NAV	Net Asset Value
NGT	National Green Tribunal
NPV	Net Present Value
NRE Account	Non-Resident External Account
NRIs	Non-Resident Indians
NRO Account	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Bodies
OSP	Other Service Provider
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAC	Persons Acting in Concert
PAN	Permanent Account Number

Abbreviation	Full Form
PAT	Profit After Tax
PCB	Pollution Control Board
PFC	Power Finance Corporation Ltd
PPA	Power Purchase Agreement
PSU	Public Sector Undertaking
QA/QC	Quality Assurance / Quality Control
QIC	Quarterly Income Certificate
RBI	The Reserve Bank of India
ROE	Return on Equity
RONW	Return on Net Worth
Bn	Billion
Rs.	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
RERA	Real Estate Regulatory Authority
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
Sec.	Section
SPV	Special Purpose Vehicle
STT	Securities Transaction Tax
Super Area	The built-up area added to share of common areas which includes staircases, reception, lift shafts, lobbies, club houses and so on
TPDS	Targeted Public Distribution System
US/United States	United States of America
USD/ US\$/ \$	United States Dollar, the official currency of the Unites States of America
UPI/ Unified Payments Interface	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons bank accounts using a payment address which uniquely identifies a person's bank a/c
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI Mandate Request	The request initiated by the Sponsor Bank and received by an RII using the UPI Mechanism to authorize blocking of funds on the UPI mobile or other application equivalent to the Bd Amount and subsequent debit of funds in case of Allotment.

Abbreviation	Full Form
UPI Mechanism	The bidding mechanism that may be used by a RIB to make an application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018.
UPI PIN	Password to authenticate UPI transaction
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
WEO	World Economic Outlook

#### Technical / Industry related Terms

Term	Description
ACP	Aluminium Composite Panels
Kms	Kilometers
CNC	Computer numerical control
EPC	Engineering, Procurement and Construction
GFRC	Glassfibre Reinforced Concrete
HPL	High pressure laminate
KV	Kilo Volt
KVA	Kilo Volt Ampere
KW	Kilo Watt
LS	Lumpsum
UV rays	Ultraviolet rays

*Notwithstanding the foregoing:*

- In the section titled “Main Provisions of the Articles of Association” beginning on page number 331 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
- In the chapters titled “Summary of Offer Documents” and “Our Business” beginning on page numbers 19 and 129 respectively, of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
- In the section titled “Risk Factors” beginning on page number 26 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
- In the chapter titled “Statement of Tax Benefits” beginning on page number 100 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;*
- In the chapter titled “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” beginning on page number 248 of the Draft Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section.*

***This space has been left blank intentionally.***

## **PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA**

### **Certain Conventions**

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

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

### **Financial Data**

Unless stated otherwise, the financial data included in this Draft Red Herring Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act and Ind AS and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled “Financial Statements”, as Restated beginning on page 196 of this Draft Red Herring Prospectus.

Our fiscal year commences on 1<sup>st</sup> April of each year and ends on 31<sup>st</sup> March of the next year. All references to a particular fiscal year are to the 12 months period ended 31<sup>st</sup> March of that year. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points. There are significant differences between Ind AS, Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly, to what extent, the financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Ind AS. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. Any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in this Draft Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act and Ind AS and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled “Financial Statements, as Restated” beginning on page 196 of this Draft Red Herring Prospectus.

### **Currency and units of presentation**

In this Draft Red Herring Prospectus, references to Rupees or INR or Rs. Are to Indian Rupees, the official currency of the Republic of India. All references to \$, US\$, USD, U.S \$ or U.S. Dollars are to United States Dollars, the official currency of the United States of America. All references to million’/ Million’ / Mn’ refer to one million, which is equivalent to ten lacs or ten lakhs, the word Lacs / Lakhs / Lac means one hundred thousand and Crore means ten millions and billion’ / bn’ / Billions’ means one hundred crores.

### **Industry and Market Data**

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

reliable, it has not been independently verified. Further, the extent to which the industry and market data presented in the Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of, the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

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## **FORWARD LOOKING STATEMENTS**

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

*These forward looking statements can generally be identified by words or phrases such as "will", "aim", "will likely result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:*

- our inability to maintain business relationship with our existing partners;
- our inability to capitalize the opportunities and growth in the infrastructure and façade industry;
- our dependence on limited number of customers for a significant portion of our revenues;
- our ability to successfully identify customer requirements and preferences and gain customer acceptance for our products;
- our ability to manage our working capital cycles and generate sufficient cash flow to satisfy any additional working capital requirements
- our ability to maintain quality standards;
- changes in the competition landscape;
- our ability to successfully implement strategy, growth and expansion plans;
- our ability to respond to new innovations in our industry;
- our ability to attract and retain qualified personnel;
- our ability to finance our business growth and obtain financing on favorable terms;
- conflict of Interest with affiliated companies, the promoter group and other related parties;
- general social and political conditions in India which have an impact on our business activities or investments;
- impact of Covid 19 pandemic or any future pandemic;
- market fluctuations and industry dynamics beyond our control;
- developments affecting the Indian economy;

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, please refer to the chapters titled "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page 26, 129 and 248, respectively of this Draft Red Herring Prospectus.

Forward looking statements reflects views as of the date of the Draft Red Herring Prospectus and not a guarantee of future performance. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company / our Directors nor the BRLM, nor any of its affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to

fruition. In accordance with SEBI requirements, our Company and the BRLM will ensure that investors in India are informed of material developments until such time as the listing and trading permission is granted by the Stock Exchange(s).

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## SECTION II - SUMMARY OF OFFER DOCUMENTS

### SUMMARY OF OUR BUSINESS OVERVIEW

Our Company was incorporated as a Private Limited Company under the Companies Act, 1956 in the name and style of “Aesthetik Engineers Private Limited” bearing Certificate of Incorporation Number U74210WB2008PTC124716 issued by the Registrar of Companies, Kolkata dated April 02, 2008 upon takeover of the existing partnership firm namely “M/s Aesthetik”. Further, our Company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra-Ordinary General Meeting held on December 18, 2023 and the name of our Company changed from “Aesthetik Engineers Private Limited” to “Aesthetik Engineers Limited” & Registrar of Companies, Kolkata issued a new certificate of incorporation consequent upon conversion dated January 24, 2024, bearing CIN U74210WB2008PLC124716.

Our Company is engaged in the business of designing, engineering, fabrication and installation of facade systems. Our portfolio includes building facades, Aluminium Doors and Windows, Railing and Staircase and Glassfibre Reinforced Concrete (GRC). We offer a wide range of products and services to meet the demands of our customers who belong to various industries such as Hospitality, Architecture, and Infrastructure. We execute end to end solution of our offerings i.e, from designing of façade to installation of facade at the site. Our Company has a factory situated at Howrah, Kolkata which is being used for the fabrication and assembly of our products with emphasis on quality and performance which are resistant against UV rays, rains, dust, noise and other substance,

### SUMMARY OF OUR INDUSTRY

#### Global Facades Market Overview

Facades Market Size was valued at USD 220.9 billion in 2022. The Facades market industry is projected to grow from USD 235.0376 Billion in 2023 to USD 386.0738 billion by 2032, exhibiting a compound annual growth rate (CAGR) of 6.40% during the forecast period (2023 - 2032). Increased unprecedented growth in the development of energy-saving façade materials development of advanced materials along with an increased focus on aesthetics is the key market driver enhancing the market growth.

(Source: <https://www.marketresearchfuture.com/reports/facades-market-7076>)

#### Indian Façade Market

The India facade market size reached US\$ 2,855.4 Million in 2023. Looking forward, the market is expected to reach US\$ 5,431.9 Million by 2032, exhibiting a growth rate (CAGR) of 7.18% during 2024-2032.

Factors Affecting the Growth of the India Facade Industry:

- Increasing Urbanization and Real Estate Development
- Continuous Technological Advancements and Innovation
- Continuous Technological Advancements and Innovation

The India facade market is currently witnessing a dynamic shift characterized by the increasing adoption of sustainable and energy-efficient facade materials. With rapid urbanization and the growing emphasis on green building norms across the country, there is a notable trend toward using advanced, eco-friendly materials like high-performance glass and composites. In line with this, ongoing technological innovations, particularly in digital design and prefabrication, are enabling more complex and aesthetically pleasing facade designs, thus contributing to market growth.

(Source: <https://www.digitaljournal.com/pr/news/imarc/india-facade-market-research-report-and-forecast-2024-2032>).

## Global Aluminum Doors and Windows Industry

Aluminum Doors and Windows Market Size was valued at USD 67.5 Billion in 2022. The Aluminum Doors and Windows market Product is projected to grow from USD 69.5 Billion in 2023 to USD 88.1 Billion by 2032, exhibiting a compound annual growth rate (CAGR) of 3.00% during the forecast period (2023 - 2032). Due to the significant financial investments being made in building construction projects and the rising quantity of construction projects, are the key market drivers enhancing the market growth.

In the context of the market, consumer awareness of energy- efficient and green constructions has significantly increased, as has early acceptance and government support. This has aided the growth of the regional market and, as a result, created an excellent level of competition and increased market size.

(Source: <https://www.marketresearchfuture.com/reports/aluminum-doors-and-window-market-10350>)

## Indian Aluminum Doors and Windows Industry

India Aluminum Doors and Windows Market registered a growth of 54.53% in value shipments in 2022 as compared to 2021 and a decrease of -10.35% CAGR in 2022 throughout 2017.

The India aluminum doors and windows market is primarily driven by the construction and real estate sector. The demand for energy-efficient and aesthetically pleasing building components has fueled the growth of aluminum doors and windows. They offer durability, low maintenance, and corrosion resistance, making them a preferred choice for modern construction. Government initiatives promoting affordable housing and urban development are also stimulating market growth.

(Source: <https://www.6wresearch.com/industry-report/india-aluminum-doors-and-windows-market-outlook>)

## PROMOTERS OF OUR COMPANY

The promoter of our Company is Mr. Avinash Agarwal, Ms. Sreeti Agrawal, Ms. Manisha Sureka and M/s, Avinash Agarwal (HUF). For detailed information please refer chapter titled “Our Promoters” and “Our Promoter Group” on page number 181 and 186 respectively of this Draft Red Herring Prospectus.

## ISSUE SIZE

The issue size comprises of fresh issue of 45,64,000 Equity Shares of face value of Rs.10/- each fully paid-up of the Company for cash at price of Rs. [●]/- per Equity Share (including premium of Rs. [●]/- per Equity Share) aggregating total issue size amounting to Rs. [●] Lakhs.

## OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds for the following objects:

S. N.	Particulars	Amount (In Rs. Lakh)
1.	Capital Expenditures	800.00
2.	Working Capital Requirements	1,500.00
3.	General Corporate Purposes*	[●]
4.	Issue Expenses	[●]
<b>Total</b>		[●]

\*The amount utilized for general corporate purposes shall not exceed 25% of the gross proceeds of the Issue.

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

S. No.	Name of shareholder	Pre issue		Post issue	
		No. of equity shares	As a % of Issued Capital	No. of equity shares	As a % of Issued Capital
<b>Promoters</b>					
1.	Avinash Agarwal	83,68,650	66.12%	83,68,650	48.60%
2.	Sreeti Agarwal	8,48,250	6.70%	8,48,250	4.93%
3.	Avinash Agarwal (HUF)	7,17,900	5.67%	7,17,900	4.17%
4.	Manisha Sureka	7,500	0.06%	7,500	0.04%
<b>Total – A</b>		<b>99,42,300</b>	<b>78.56%</b>	<b>99,42,300</b>	<b>57.74%</b>
<b>Promoter Group</b>					
5.	Vijay kumar Agarwal	15,750	0.12%	15,750	0.09%
6.	Shyama Agarwal	37,500	0.30%	37,500	0.22%
7.	Priyanka Jalan	28,500	0.23%	28,500	0.17%
8.	Anukaaran Suppliers Private Limited	10,50,000	8.30%	10,50,000	6.10%
9.	Vijay kumar Agarwal HUF	15,82,125	12.50%	15,82,125	9.19%
<b>Total – B</b>		<b>27,13,875</b>	<b>21.44%</b>	<b>27,13,875</b>	<b>15.76%</b>
<b>Grand Total (A+B)</b>		<b>1,26,56,175</b>	<b>100.00%</b>	<b>1,26,56,175</b>	<b>73.50%</b>

**SUMMARY OF FINANCIAL INFORMATION**
*(Amount in Thousands)*

Particulars	For the period ended 31 <sup>st</sup> December 2023	For the Year ended 31 <sup>st</sup> March 2023	For the Year ended 31 <sup>st</sup> March 2022	For the Year ended 31 <sup>st</sup> March 2021
Share Capital	8,437.45	8,437.45	8,437.45	8,437.45
Reserve & Surplus	1,31,457.06	91,504.35	80,245.64	84,758.10
Net Worth	1,39,894.51	99,941.80	88,683.09	93,195.55
Revenue from operation	472,631.19	400,097.64	257,391.17	135,805.27
Profit after Tax	39,952.71	11,258.71	(4,512.46)	2,374.62
EPS Basic and Diluted	47.53	13.34	(5.35)	2.81
NAV per Equity Share (in Rs.)	161.56	114.21	100.87	106.22
<b>Total borrowings</b>				
- Long Term	45,194.40	14,125.00	32,242.38	54,134.70
- Short Term	14,558.15	45,121.54	7,916.54	7,938.01

**QUALIFICATIONS OF AUDITORS**

The restated financial statements of our Company do not contain any qualification requiring adjustments by the Peer review auditors.

**SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPMENTS**

A summary of pending legal proceedings and other material litigations involving our Company is provided below:

Name	By/Against	Civil Proceedings	Criminal Proceeding	Tax Proceedings	Actions by regulatory authorities	Amount Involved (in rupees)
Company	By	1	3	-	-	10,45,60,856
	Against	1	-	1	-	1,16,87,294
	By	-	-	-	-	-

<b>Promoter</b>	<b>Against</b>	-	-	-	-	-
<b>Group Companies/Entities</b>	<b>By</b>	-	-	-	-	-
	<b>Against</b>	-	-	-	-	-
<b>Directors other than promoters</b>	<b>By</b>	-	-	-	-	-
	<b>Against</b>	-	-	-	-	-

For further details, please refer to the chapter titled “Outstanding Litigations & Material Developments” beginning on page 260 of this Draft Red Herring Prospectus.

## RISK FACTORS

For details relating to risk factors, please refer section titled “Risk Factors” beginning on page 26 of this Draft Red Herring Prospectus.

## SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

A summary of contingent liabilities involving our Company is provided below:

Sr. No.	Particulars
1.	Office of the Commissioner of Service Tax raised an aggregate demand of Rs. 82,40,063/- vide its order dated 23/12/2015 along with interest thereon and also imposed the penalty of Rs. 82,50,063/- against the Company for the FY 2008-09 to FY 2012-13. Being aggrieved by the demand raised by the Service Tax Department, the Company has preferred an appeal before the CESTAT and the same is pending till date.
2.	The Company purchased material from the Supplier namely Kinlong Hardware India Private Ltd, in the month of September, 2021 of worth Rs. 34,47,231/- which was found to be of inferior quality and rejected. The Supplier was asked to take back the material from the project site. The Supplier didn't removed the material from the project site and claimed for the payment in respect of the material supplied and thereafter filed a suit against the Company before the Commercial Court, Bengaluru for their payment in respect of material supplied along with interest thereon. The suit is in progress before the said Court till date.

For Further details, please refer the chapter titled “Financial Statement as restated” on page 196 of this Draft Red Herring Prospectus.

## SUMMARY OF RELATED PARTY TRANSACTIONS

The details of Related Party Transactions are as Follows:

<b>(a) Subsidiaries and Associates</b>	Nil
<b>(b) Key Management Personnel:</b>	
Avinash Agarwal	Director
Sreeti Agarwal	Whole Time Director
Vijay Kumar Agarwal	Whole Time Director
Ranjit Mishra	Director (till 15.05.2023)
<b>(c) Relatives of KMP</b>	
Shyama Agarwal	Relative of Director (Avinash Agarwal, Sreeti Agarwal & Vijay Kumar Agarwal)
<b>(d) Enterprises owned or significantly influenced by KMP/KMP's relatives</b>	
M/s Avinash Agarwal (HUF)	Avinash Agarwal is the Karta
M/s Vijay Kumar Agarwal (HUF)	Vijay Kumar Agrwal is the Karta

**Terms and conditions of transactions with related parties:**

The sales and purchase from related parties are made on terms equivalent to those that prevail in arms length transactions. Outstanding balance at the year-end are unsecured and interest free and settlement occurs in cash.

**(a) Transaction with Key management personnel:**

*(Amount in thousands)*

Descriptions	31 December 2023	31 March 2023	31 March 2022	31 <sup>st</sup> March 2021
<b><u>Director Remuneration</u></b>				
Avinash Agarwal	630.00	480.00	480.00	670.00
Sreeti Agarwal	450.00	240.00	240.00	240.00
Vijay Kumar Agarwal	180.00	240.00	240.00	240.00
<b><u>Rental Income</u></b>				
Avinash Agarwal	5,400.00	4,800.00	4,800.00	4,800.00
Shyama Agarwal	1,350.00	1,200.00	1,200.00	1,200.00
Vijay Kumar Agarwal	1,350.00	1,200.00	1,200.00	1,200.00
<b><u>Enterprises in which KMP/ KMP's relatives have significant influence</u></b>				
M/s Avinash Agarwal (HUF)	1,350.00	1,200.00	1,200.00	1,200.00

**(b) Balance outstanding with related parties:**

*(Amount in thousands)*

Descriptions	31 December 2023	31 March 2023	31 March 2022	31 March 2021
<b><u>Loan Received</u></b>				
<b><u>Key Management Personnel</u></b>				
Avinash Agarwal HUF	-	-	200.00	-
Avinash Agarwal	64,500.00	-	-	-
Shyama Agarwal	-	75.00	1,300.00	-
Sreeti Agarwal	-	-	3,700.00	-
Vijay Kumar Agarwal HUF	-	-	1,800.00	-
Vijay Kumar Agarwal	3,000.00	525.00	300.00	-
<b><u>Loan Repaid</u></b>				
<b><u>Key Management Personnel</u></b>				
Avinash Agarwal HUF	650.00	250.00	-	-
Avinash Agarwal	25,000.00	-	14,350.00	-
Shyama Agarwal	2,740.00	-	-	-
Sreeti Agarwal	850.00	975.00	1,950.00	-
Vijay Kumar Agarwal HUF	4,000.00	-	-	-
Vijay Kumar Agarwal	3,600.00	-	-	-
<b><u>Balance outstanding (Credit) (loan/salary)</u></b>				
<b><u>Key Management Personnel</u></b>				
Avinash Agarwal HUF	200.00	850.00	1,100.00	900.00
Avinash Agarwal	39,500.00	-	-	14,350.00
Shyama Agarwal	235.00	2,975.00	2,900.00	1,600.00
Sreeti Agarwal	2,225.00	3,075.00	4,050.00	2,300.00
Vijay Kumar Agarwal HUF	-	4,000.00	4,000.00	2,200.00

Vijay Kumar Agarwal	2,625.00	3,225.00	2,700.00	2,400.00
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<b>Security deposit for rent against Merlin office</b>				
Avinash Agarwal HUF	750.00	701.50	701.50	701.50
Shyama Agarwal	750.00	-	-	-
Vijay Kumar Agarwal	750.00	-	-	-

For Further details of Related Party Transaction, please refer “Note 31” under the chapter titled “Financial Statement as restated” on page 196 of this Draft Red Herring Prospectus.

## FINANCING ARRANGEMENTS

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 a period of six (6) months immediately preceding the date of this Draft Red Herring Prospectus.

## WEIGHTED AVERAGE COST OF ACQUISITION OF EQUITY SHARES BY OUR PROMOTERS IN LAST ONE YEAR

The weighted average cost of acquisition of equity shares by our promoters in last one year which has been calculated by taking average amount paid by them to acquire our equity shares is as follows:

<b>Name of Promoter</b>	<b>No. of shares bought</b>	<b>Weighted Average Price (in Rs.)</b>
Avinash Agarwal	79,71,500	0.09
Sreeti Agarwal	7,92,750	Nil
Manisha Sureka	7,000	Nil
Avinash Agarwal (HUF)	6,70,040	Nil

\* As Certified by M/s Maroti & Associates, Chartered Accountants dated April 18, 2024.

## AVERAGE COST OF ACQUISITION

The average cost of acquisition per Equity Share by our promoters which has been calculated by taking the average amount paid by them to acquire our Equity Shares, is as follows:

<b>Name of the Promoter</b>	<b>No. of Shares held</b>	<b>Average cost of Acquisition (in Rs.)</b>
Avinash Agarwal	83,68,650	2.43
Sreeti Agarwal	8,48,250	7.33
Manisha Sureka	7,500	0.67
Avinash Agarwal (HUF)	7,17,900	0.98

\* As Certified by M/s Maroti & Associates, Chartered Accountants dated April 18, 2024.

## DETAILS OF PRE-ISSUE PLACEMENT

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

**ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR**

Following are the details of equity shares issued in the last one year for consideration other than cash or through bonus:

<b>Date of Allotment</b>	<b>No. of Equity Shares</b>	<b>Face Value (Rs.)</b>	<b>Issue Price (Rs.)</b>	<b>Nature of Consideration</b>	<b>Nature of Allotment</b>
30-03-2024	1,18,12,430	10	Nil	Other than cash	Bonus Issue

**SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR**

Our Company has not done any sub-division or consolidation of its Equity shares in the last one year.

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

Our Company has not filed any exemption application with SEBI as on date of Draft Red Herring prospectus.

*This space has been left blank intentionally.*

### SECTION III- RISK FACTORS

*An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties summarized below, before making an investment in our Equity Shares. The risks described below are relevant to the industries our Company is engaged in, our Company and our Equity Shares. To obtain a complete understanding of our Company, you should read this section in conjunction with the chapters titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page numbers 129 and 248, respectively, of this Draft Red Herring Prospectus as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. Prior to making an investment decision, prospective investors should carefully consider all of the information contained in the section titled “Financial Information, as Restated” beginning on page number 196 of this Draft Red Herring Prospectus.*

*If any one or more of the following risks as well as other risks and uncertainties discussed in the Draft Red Herring Prospectus were to occur, our business, financial condition and results of our operation could suffer material adverse effects, and could cause the trading price of our Equity Shares and the value of investment in the Equity Shares to materially decline which could result in the loss of all or part of investment. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is therefore subject to a legal and regulatory environment that may differ in certain respects from that of other countries.*

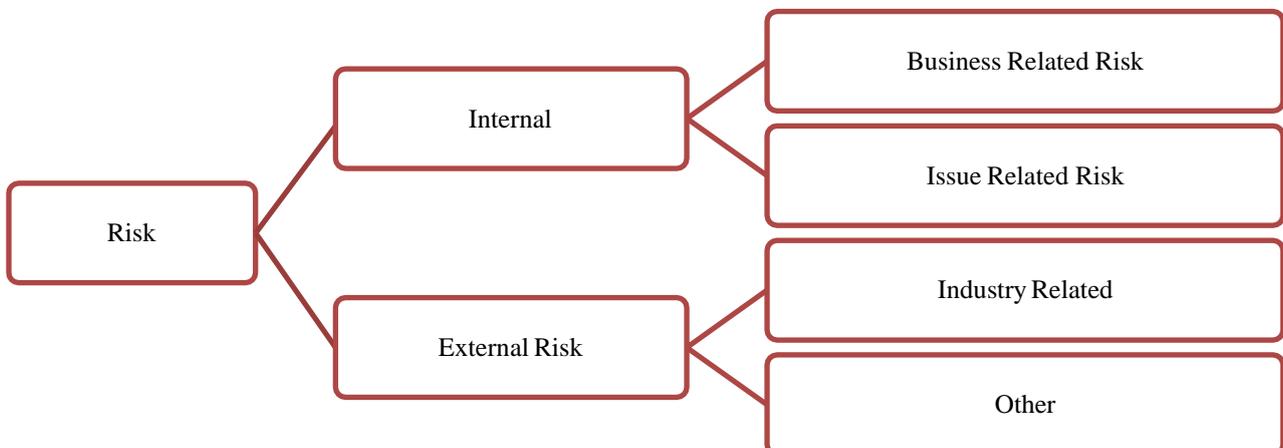
*This Draft Red Herring Prospectus also contains forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the considerations described below and elsewhere in the Draft Red Herring Prospectus. These risks are not the only ones that our Company face. Our business operations could also be affected by additional factors that are not presently known to us or that we currently consider to be immaterial to our operations. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify financial or other implication of any risks mentioned herein.*

#### **Materiality**

The Risk factors have been determined based on their materiality, which has been decided based on following factors:

1. Some events may not be material individually but may be material when considered collectively.
2. Some events may have an impact which is qualitative though not quantitative.
3. Some events may not be material at present but may have a material impact in the future.

#### **Classification of Risk Factors**



## Internal Risk Factors

- Our Company is involved in certain legal proceedings/litigations. Any adverse decision in such proceedings may render us/them liable to penalties and may adversely affect our business and result of operations.***

Our Company is involved in certain legal proceedings and claims in relation to certain civil matters incidental to our business and operations. Any adverse decision may render us/them liable to liabilities/penalties and may adversely affect our business and results of operations. A classification of these legal and other proceedings are as follows:

Litigations involving our company:

<b>By/Against</b>	<b>Civil Proceedings</b>	<b>Criminal Proceeding</b>	<b>Tax Proceedings</b>	<b>Actions by regulatory authorities</b>	<b>Amount Involved (in rupees)</b>
<b>By</b>	1	3	-	-	10,45,60,856
<b>Against</b>	1	-	1	-	1,16,87,294

For further details, refer the chapter “Outstanding Litigation and Material Developments” beginning on page 260 of this Draft Red Herring Prospectus.

- Failure to obtain the required certification or qualify the tests can adversely affect our business operations.***

In order to carry out our operations, our company requires certain test or certifications such as Air leakage test, wind pressure test and static water penetration test. These certifications ensure that our products or services meet required quality and safety standards. Failure to obtain or qualify these certifications or tests, could have a material adverse effect on our business and the results of operations.

- We do not own our registered office and factory premises, the same are taken on rent by the company.***

The registered office of the Company, situated at 1858/1, 5th Floor, Unit 503-505, Acropolis Mall, Rajdanga Main Road, Kasba, Kolkata, West Bengal-700107, India, is not owned by the company and the same is taken on rent. The Company has entered into leave and license agreements dated April 01, 2023 with the co-owners, namely M/s Avinash Agarwal HUF (represented by its Karta, Mr. Avinash Agarwal, Managing Director), Mr. Shyama Agarwal and Vijay Kumar Agarwal.

Further, the factory of the company situated Plot No. 3108, Hanuman Complex, Ranihati Amta Road, PO-Islampur, Howrah- 711401, does not own by our Company. The company has entered into a leave and license agreement with Mr. Avinash Agarwal (Promoter and Managing Director) for such factory.

In the event we are required to vacate the current premises, we would be required to make alternative arrangements for new premises and other infrastructure and facilities. We cannot assure that the new arrangements will be on terms that are commercially favourable to us. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition.

For further details regarding land and properties, please refer to the Section titled “Our Business” on page 129 of this Draft Red Herring Prospectus.

**4. Our business is subject to seasonal and other environmental factors, that can adversely affect our business and result of operations.**

Seasonal factors, particularly the monsoon season in the second quarter of each fiscal year, can impede our operations and projects. This may lead to reduced activity, continued operating expenses, delays in project-related tasks, and potential damage to project sites or material delivery delays. These fluctuations can negatively impact our liquidity, business, financial condition, and results of operations.

**5. We have incurred losses in one out of three previous financial years.**

Our company has suffered loss in the financial year ended March 31, 2022 out of three previous financial years as given below:

*(Amount in Thousands)*

<b>Particulars</b>	<b>For the period ended on December 31, 2023</b>	<b>For the year ended on March 31, 2023</b>	<b>For the year ended on March 31, 2022</b>	<b>For the year ended on March 31, 2021</b>
Profit after Tax	39,952.71	11,258.71	(4,512.46)	2,374.62
Earnings Before Interest, Tax and Depreciation	60,744.40	20,458.27	11,497.16	7,745.33

However, the company has maintained profitability in terms of Earnings Before Interest, Tax and Depreciation in all the three previous financial years. For more details of financial information, please refer to the chapter “financial information as restated” on page no. 196 of this Draft Red Herring Prospectus.

**6. We do not have long term contracts with our suppliers and therefore, there may be potential unavailability of raw materials in future, which may adversely affect our business operations.**

Our ability to manufacture and make timely deliveries of our products is dependent upon the availability of raw materials and the cost incurred over them. We generally do not enter into agreements with our suppliers and transact with them on an order-by-order basis, and we cannot assure you that we will continue to enjoy uninterrupted relationships with our suppliers in the future. We cannot assure you that we will be able to procure such specific raw materials in a timely manner or at commercially acceptable terms, or at all, resulting in delays in production and delivery of our products.

If we are unable to obtain adequate supplies of raw materials in a timely manner or on commercially acceptable terms, the cost of raw material consumption can increase, which could have an adverse effect on our business, prospects, results of operations and financial condition.

**7. Our certain projects require the product and services of third parties, including suppliers and subcontractors, which may have an adverse effect on our business operations.**

Our business generally requires the services of third parties, including sub-contractors and suppliers of labour and materials. Factors like availability, skill, and external contingencies like labor shortages or strikes can impact our projects. We may need to invest more or provide extra services to ensure contracted work is delivered adequately and on time. Disputes with subcontractors could arise, affecting project progress and customer satisfaction. If subcontractors fail to deliver supplies or services promptly, our ability to fulfill contracts could be compromised. Since there's usually no direct contract between our customers and our suppliers, any liability claims would need to be addressed with them, which may have an adverse effect on our business operations and financial performance.

**8. *Our Company operation and growth is dependent upon successfully implementation our business strategies.***

The success of our business depends substantially on our ability to implement our business strategies effectively, like expansion of our geographical network, capitalization of the opportunity in the façade industry. We have successfully executed our business strategies in the past but there can be no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted customers. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and the results of operations.

**9. *If we experience delays and/or defaults in client payments, we may be unable to recover all expenditures.***

Due to the inherent characteristics of our business operations, we occasionally allocate resources to projects before obtaining payments from our clients that are adequate to cover the expenses incurred during the process. In difficult economic times, some of our clients may find it increasingly difficult to pay invoices for our services in a timely manner. Delays in client payments may require us to make a working capital investment, which could impact our cash flows and liquidity. If a client fails to pay invoices on a timely basis or defaults in making its payments on a project in which we have devoted significant resources, there could be an adverse effect on our results of operations or liquidity.

**10. *Our business operations are subject to various operating risks at our sites, the occurrence of which can affect our results of operations and consequently, financial condition of our Company.***

Our business operations are subject to operating risks, such as breakdown or failure of plant & machineries and equipments used at the sites, shortage of consumables, performance below expected levels of output or efficiency, natural disasters, and labour disputes. The occurrence of these risks, if any, could significantly affect our operating results, and the slowdown / shutdown of business operations may have a material adverse effect on our business operations and financial conditions.

Further, usage of machinery, handling of materials by labour during manufacturing process, testing of electrical equipments or otherwise, lifting of materials by humans, etc. may result in accidents, which could cause injury to our labours, employees, other persons on the site and could also damage our properties thereby affecting our operations. Occurrence of accidents could hamper our manufacturing process and consequently affect our profitability.

**11. *Some of our projects are secured through meeting specific pre-qualification standards and competitive bidding. Our business and our financial condition may be adversely affected if new projects are not awarded to us.***

Our contracts are secured through competitive bidding based on pre-qualification criteria such as experience, financial strength, and reputation. Winning bids often depend on demonstrating past success and capability to handle challenging projects. The growth of our business relies heavily on obtaining new contracts in our sectors. However, predicting contract awards is challenging. Failure to qualify for or secure new contracts could adversely affect our business and financial health, leading to fluctuating results and cash flows.

**12. Failure to anticipate and develop new products & services and enhance existing capabilities with rapid changes in technology and industry can adversely affect our business and the result of operations.**

Our industry is changing rapidly with technological advancement and evolving standards, leading to product obsolescence and short lifecycles of products and services we are offering. Our success depends on our ability to anticipate these advances, enhance our existing offerings or develop new service offerings to meet client needs, in a timely manner. Failure to anticipate customer demand for new and upgraded products & services with respect to emerging technologies and lifestyle could have a material adverse effect on our business, results of operations and financial condition.

**13. Our Company has negative cash flows from its operating, investing activities and financing activities in the current and past years, details of which are given below. Sustained negative cash flow could impact our growth and business.**

Our Company had negative cash flows from our operating activities (largely due to overdue receivables, increase in inventory, and payment to trade payables), investing activities (largely due to investments in fixed assets, and Interest payment), and financing activities (largely due to repayment of long-term borrowings), in the current and previous years as per the Restated Financial Statements and the same are summarized as under.

*(Amount in Thousands)*

Net Cash Generated from	For the period ended on December 31, 2023	For the year ended on March 31, 2023	For the year ended on March 31, 2022	For the year ended on March 31, 2021
Operating Activities	(58,491.18)	33,363.47	13,052.57	(9,136.05)
Investing Activities	40,039.42	(10,147.75)	(14,988.13)	14,184.94
Financing Activities	25,975.57	(23,649.58)	(24,986.29)	278.20

Any such negative cash flows in the future could adversely affect our business, financial condition and results of operations. For more details, kindly refer to the page no. 196 in the chapter title “*Financial Information as restated*”.

**14. Our Company has obtained unsecured loans amounting to Rs. 45,194.40 Thousands that may be recalled by the lenders at any time.**

We have outstanding unsecured loans of Rs. 45,194.40 Thousands as at December 31, 2023, which may be recalled by the lenders at any time. In the event that the lenders seek a repayment of any such loans, Company would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all, which may affect the result of operation and financial conditions of our business. For further details, please refer to the chapter titled “*Financial Indebtedness*” beginning on page 259 of this draft red herring prospectus.

**15. Our top ten customers contribute significant portion of our revenues during the current and previous financial years. Any loss of business from one or more of them may adversely affect our revenues and profitability.**

At present, we derive most of our revenue from operations to limited number of customers.

(Amount in Thousands)

Particulars	For the period ended on December 31, 2023	For the Financial Year ended on March 31, 2023	For the Financial Year ended on March 31, 2022	For the Financial Year ended on March 31, 2021
Revenue from Operations	4,72,631.19	4,00,097.64	2,57,391.17	1,35,805.27
Top ten (10) Customers	3,55,334.43	3,19,599.93	2,03,292.71	1,09,463.71
% of top ten (10) Customers to Revenue from Operations*	75.18%	79.88%	78.98%	80.60%

\*The % has been derived by dividing the total amount received from top ten customers with the Revenue from operations of the company in the relevant year as mentioned in the Profit and Loss Statement as given in restated financials of the company.

As our business is currently concentrated among relatively few significant customers, we may experience reduction in cash flows and liquidity if we lose one or more of our major customers or if the amount of business from one or more of them is significantly reduced for any reason, including as a result of a dispute with or disqualification by a major customer.

For further details related to our top ten (10) customers for the stub period ended on December 31, 2023, March 31, 2023, March 31, 2022, and March 31, 2021 refer to the Chapter “Our Business” on page no. 129 of this Draft Red Herring Prospectus.

**16. Significant portion of our revenue has been generated from state of West Bengal, any loss of business from this states may adversely affect our revenues and profitability.**

Our business operations span various regions across India. However, a significant portion of our revenue is concentrated in West Bengal. Any factors relating to political and geographical changes, growing competition and any change in the demand for our service by customers of these states may adversely affect our ability to retain them. We cannot assure that we shall generate the same quantum of business, or any business at all, or any loss of business from this state, may adversely affect our revenues and profitability.

**The contribution of the West Bengal in our total revenue is as follows:**

(Amount in Lakhs, except %)

State Name	For the period ended 31 <sup>st</sup> December, 2023	% of Total Revenue	For the period ended 31 <sup>st</sup> March, 2023	% of Total Revenue	For the period ended 31 <sup>st</sup> March, 2022	% of Total Revenue	For the period ended 31 <sup>st</sup> March, 2021	% of Total Revenue
West Bengal	4,21,890.35	95.53%	2,63,841.15	90.51%	2,32,958.84	65.94%	1,29,730.68	89.26%

**17. Our inability to effectively manage project execution may lead to project delays which may affect our business and results of operations.**

Our business is dependent on our ability to effectively manage the execution of our projects. An inability to effectively manage our operations, including ineffective or inefficient project management procedures could increase our costs and expenses, result in project delays and thereby affect our business operations & profitability. The effectiveness of our project management processes and our ability to execute projects in a timely manner may be affected by various factors such as availability of resources, timeline, stakeholder involvement, and budget. If such factors are not effectively considered and utilized during project execution,

it can have a negative impact on the project and its outcomes, which may affect our business and results of operations.

**18. Our Company operations requires significant amount of working capital for a continuing growth. Our inability to meet our working capital requirements may adversely affect our results of operations.**

Our Company's business operations require a significant amount of working capital. In our business, working capital is often required to finance the procurement of raw material and for salaries of employees. In the event, we are unable to source the required amount of working capital, we might not be able to efficiently satisfy the demand of our clients in a timely manner or at all. Even if we are able to source the required amount of funds, we cannot assure you that such funds would be sufficient to meet our cost estimates, which could have adverse effect on our financial conditions and results of operations.

There exist substantial requirement of working capital and financing in the form of fund and non-fund based working capital facilities to meet our requirements. The details of our working capital for the period ended December 31, 2023 and year ended March 31, 2023, March 31, 2022 & March 31, 2021 are as under which is showing continuous increase:

*(Amount in thousands)*

Particulars	For the period ended on December 31, 2023	For the year ended on March 2023	For the year ended on March 2022	For the year ended on March 2021
<b>Current Assets</b>				
(a) Inventories	71,695.22	48,364.00	42,894.33	37,218.05
(b) Trade Receivables	1,52,736.20	72,339.12	69,850.27	39,240.64
(c) Cash & Cash Equivalents	10,132.82	2,609.02	3,042.88	29,964.75
(d) Current Tax Assets (Net)	-	4,109.21	2,996.10	1,611.96
(e) Other Current Assets	40,894.23	16,458.57	15,397.15	3,290.35
<b>Total (A)</b>	<b>2,75,458.48</b>	<b>1,43,879.93</b>	<b>1,34,180.73</b>	<b>1,11,325.75</b>
<b>Current Liabilities</b>				
(a) Short-Term Borrowings	14,558.15	45,121.54	7,916.54	7,938.01
(b) Trade Payables				
(i) total outstanding dues of micro enterprises and small enterprises; and	-	-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	90,120.71	44,321.22	45,436.23	13,273.66
(c) Other Current Liabilities	34,954.72	40,950.96	53,987.25	24,538.41
(d) Short-Term Provisions	1,088.88	1,316.37	866.83	750.58
(e) Current tax Liability (Net)	7,022.86	-	-	-
<b>Total (B)</b>	<b>1,47,745.31</b>	<b>1,31,710.10</b>	<b>1,08,206.85</b>	<b>46,500.65</b>
<b>Net Working Capital (A)-(B)</b>	<b>1,27,713.17</b>	<b>12,169.83</b>	<b>25,973.88</b>	<b>64,825.10</b>

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

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

**20. Our Company may incur penalties or liabilities for non-compliances with certain provisions of the GST Act, Income Tax Act, and other applicable laws in the last 3 Years.**

Our Company have incurred penalties or liabilities for non-compliance with certain provisions including lapsed/ made delay in certain filings and/or erroneous filing/ non-filing of e-forms under Company Act applicable to it in the past years. Such non-compliances/delay Compliances/ erroneous filing/ Non-Filing/ Non-Registration may incur the penalties or liabilities which may affect the results of operations and financial conditions of the company in near future. The details of late filings in past years are given below:

Financial Year	Return Type	Return Period	Due Date	Filing Date	Delayed No. of days
<b>West Bengal (Kolkata)</b>					
<b>2020-21</b>					
	GSTR-1	June	11-07-2020	19-8-2020	39
	GSTR-3B	June	20-07-2020	21-7-2020	1
	GSTR-1	July	11-08-2020	23-9-2020	43
	GSTR-1	August	11-09-2020	16-10-2020	35
	GSTR-1	September	11-10-2020	20-10-2020	9
	GSTR-1	October	11-11-2020	21-11-2020	10
	GSTR-3B	October	20-11-2020	21-11-2020	1
	GSTR-1	November	11-12-2020	19-12-2020	8
	GSTR-1	December	11-01-2021	23-1-2021	12
	GSTR-3B	December	20-01-2021	22-1-2021	2
	GSTR-1	January	11-02-2021	20-2-2021	9
	GSTR-1	February	11-03-2021	19-3-2021	8
<b>2021-22</b>					
	GSTR-3B	April	24-05-2021	04-6-2021	11
	GSTR-1	May	11-6-2021	26-6-2021	15
	GSTR-3B	May	20-06-2021	03-7-2021	13
<b>2022-23</b>					
	GSTR-3B	April	20-05-2022	24-05-2022	4
	GSTR-3B	October	20-11-2022	21-11-2022	1
	GSTR-3B	March	20-04-2023	21-04-2023	1
<b>April- December 2023</b>					
	GSTR-3B	August	20-09-2023	25-09-2023	5
<b>Odisha (Bhubaneshwar)</b>					
<b>2020-21</b>					
	GSTR-1	April	11-05-2020	16-6-2020	36
	GSTR-1	May	11-06-2020	24-6-2020	13
	GSTR-1	June	11-07-2020	20-7-2020	9
	GSTR-1	August	11-09-2020	17-9-2020	6
	GSTR-1	September	11-10-2020	16-10-2020	5
	GSTR-1	November	11-12-2020	15-12-2020	4
	GSTR-1	January	11-02-2021	18-02-2021	7
<b>2021-22</b>					
	GSTR-3B	April	24-05-2021	04-6-2021	11
	GSTR-1	May	25-6-2021	11-6-2021	14
	GSTR-3B	May	20-06-2021	02-7-2021	12
<b>2022-2023</b>					
	GSTR-3B	April	20-05-2022	21-05-2022	1

<b>Bihar</b>					
<b>2020-21</b>					
	GSTR-1	April	11-05-2020	22-6-2020	42
	GSTR-1	May	11-06-2020	23-6-2020	12
	GSTR-1	June	11-07-2020	17-7-2020	6
	GSTR-1	July	11-08-2020	18-8-2020	7
	GSTR-1	August	11-09-2020	17-9-2020	6
	GSTR-1	September	11-10-2020	16-10-2020	5
	GSTR-1	October	11-11-2020	21-11-2020	10
	GSTR-1	November	11-12-2020	8-1-2021	28
	GSTR-1	December	11-01-2021	22-1-2021	11
	GSTR-1	January	11-02-2021	19-2-2021	8
	GSTR-3B	October	20-11-2020	21-11-2020	1
	GSTR-3B	November	20-12-2020	8-1-2021	19
	GSTR-3B	December	20-01-2021	22-1-2021	2
<b>2021-22</b>					
	GSTR-1	April	26-05-2021	04-6-2021	9
	GSTR-3B	April	24-05-2021	04-6-2021	11
	GSTR-1	May	11-6-2021	25-6-2021	14
	GSTR-3B	May	20-06-2021	05-7-2021	15
<b>2022-23</b>					
	GSTR-3B	March	20-04-2023	21-04-2023	1
<b>Sikkim</b>					
<b>2020-21</b>					
	GSTR-1	April	11-05-2020	16-6-2020	36
	GSTR-1	May	11-06-2020	23-6-2020	12
	GSTR-1	June	11-07-2020	17-7-2020	6
	GSTR-1	July	11-08-2020	14-8-2020	3
	GSTR-1	August	11-09-2020	17-9-2020	6
	GSTR-1	September	11-10-2020	14-10-2020	3
	GSTR-1	November	11-12-2020	8-1-2021	28
	GSTR-1	January	11-02-2021	18-2-2021	7
	GSTR-3B	November	20-12-2020	8-1-2021	19
<b>2021-22</b>					
	GSTR-3B	April	24-05-2021	04-6-2021	11
	GSTR-1	May	11-6-2021	25-6-2021	14
	GSTR-3B	May	20-06-2021	02-7-2021	12
<b>Maharashtra</b>					
<b>2021-22</b>					
	GSTR-1	September	11-10-2021	18-10-2021	7
	GSTR-3B	April	20-05-2022	24-05-2022	4
<b>Assam</b>					
<b>2021-22</b>					
	GSTR-3B	April	24-05-2021	04-6-2021	11
	GSTR-1	May	11-6-2021	25-06-2021	14
	GSTR-3B	May	20-06-2021	10-07-2021	20
<b>Chhattisgarh</b>					
<b>2021-22</b>					
	GSTR-3B	April	24-05-2021	04-6-2021	11
	GSTR-1	May	11-6-2021	25-6-2021	14
	GSTR-3B	May	20-06-2021	02-7-2021	12

<b>Gujarat</b>					
<b>2022-23</b>					
	GSTR-3B	October	20-11-2022	21-11-2022	1
<b>Income Tax</b>					
<b>2020-21</b>	ITR-6	Annually			
<b>2021-22</b>	ITR-6	Annually			
<b>2022-23</b>	ITR-6	Annually			
<b>EPF Act</b>					
<b>2020-21</b>					
	PF	June	15-07-2020	14-08-2020	30
	PF	July	15-08-2020	26-08-2020	11
	PF	October	15-11-2020	19-11-2020	4
	PF	March	15-04-2021	16-04-2021	1
<b>2022-23</b>					
	PF	October	15-11-2022	02-12-2022	17
<b>2023-24</b>					
	PF	April	15-05-2023	25-05-2023	10
<b>ESI Act</b>					
<b>2020-21</b>					
	ESI	June	15-07-2020	17-08-2020	33
	ESI	July	15-08-2020	26-08-2020	11
	ESI	August	15-09-2020	19-09-2020	4
	ESI	November	15-12-2020	15-12-2020	4
<b>2021-22</b>					
	ESI	July	15-08-2021	01-09-2021	17
	ESI	October	15-11-2021	30-11-2021	15
<b>2022-23</b>					
	ESI	September	15-10-2022	06-01-2023	83
	ESI	October	15-11-2022	06-01-2023	52
	ESI	February	15-03-2023	27-05-2023	73
<b>2023-24</b>					
	ESI	July	15-08-2023	09-09-2023	25
	ESI	August	15-09-2023	14-11-2023	60
	ESI	September	15-10-2023	11-11-2023	27
	ESI	January	15-02-2024	16-02-2024	1
<b>TDS</b>					
<b>2020-21</b>	26Q and 24Q	Quarter-1	15-07-2020	17-08-2020	33
	26Q and 24Q	Quarter-2	15-08-2020	26-08-2020	11
	26Q and 24Q	Quarter-2	15-09-2020	19-09-2020	4
	26Q and 24Q	Quarter-3	15-11-2020	19-11-2020	4

**21. The Logo of our Company has not been registered under the Trade Marks Act, 1999.**

We have filed an application for registration of our company's logo  , which is under the process of registration under Trademarks Act, 1999. The complete details of trademarks are given in Chapter "Our Business" beginning on page no. 129 of this Prospectus. In the event we are not able to obtain registrations in respect of such trademark applications, we may not be able to obtain statutory protections available under the Trademarks Act, 1999, as otherwise available for registered logos and trademarks. Consequently, we are subject to the various risks arising out of the same, including but not limited to infringement or passing off our name and logo by a third party.

**22. *The average cost of acquisition of Equity Shares by our Promoters is lower than the issue price.***

Our Promoters' average cost of acquisition of Equity Shares in our Company is lower than the Issue Price of the shares proposed to be offered through this Draft Red Herring Prospectus. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company, please refer to page no. 24 of this Draft Red Herring Prospectus.

**23. *Our Promoters, Directors have provided personal guarantees to loan facility availed by us, which if revoked may require alternative guarantees, repayment of amount due or termination of the facilities.***

Our Promoters, Directors have provided personal guarantees to certain loan facilities availed by us. In the event that any of these guarantees are revoked or withdrawn, the lenders for such facility may require alternative guarantees, repayment of amounts outstanding under such facilities, or may even terminate such facility. We may not be successful in procuring alternative guarantees satisfactory to the lender, and as result may need to repay the outstanding amounts under such facility or seek additional sources of capital, which may not be available on acceptable terms or at all and any such failure to raise additional capital could affect our operations and our financial conditions.

For further details about indebtedness of our Company, please refer to the chapter "Financial Indebtedness" on the page no. 259 of this Draft Red Herring Prospectus.

**24. *Our profitability and business operations is significantly dependent on our ability to successfully anticipate the industry and client requirements. Any failure on our part to do so, may have an impact on our operations, which could have an adverse effect on our revenue, reputation, financial conditions, results of operations and cash flows.***

Our profitability, business operations and its success is significantly dependent on our ability to ensure continued demand for our products in existing and proposed markets, which requires us to continuously anticipate and respond in a timely manner to customer requirements and preferences. If we are unable to successfully anticipate customer requirements or are unable to modify our current portfolio of products or develop new products, in a timely manner, we may lose customers.

Though we are committed to product innovation to respond to changing technology in the electric equipment industry, there can be no assurance that we would be successful in developing new products that respond to such changes or changes in customer requirements and preferences or that our products would gain acceptance in our existing or new markets. Any enhancement to our existing offerings or new offerings that we develop and introduce involves significant commitment of time and resources and is subject to a number of risks and challenges including:

- ensuring the timely deployment of new offerings and features;
- adapting to emerging and evolving industry standards, technological developments by our competitors and changing client requirements;
- operating effectively with existing or newly-introduced technologies, systems, or applications of our existing and prospective clients.

The development of alternative technologies or a fundamental shift in technologies in key markets for our electric equipment could have an adverse effect on our business. Moreover, failure to correctly anticipate trends and adapt to the changing technological environment may result in reduced demand for our products which could have adverse effect on our revenue, reputation, financial conditions, results of operations and cash flows.

**25. *Our Company has entered into certain related party transactions in the past and may continue to do so in the future.***

Our Company has entered into several related party transactions with our Promoters, individuals and entities forming a part of our promoter group relating to our operations. In addition, we have in the past also entered into transactions with other related parties. However, the related party transactions entered into with Promoters/ Directors/ Promoter Group is in compliance with Section 188 of Companies Act, 2013 and other applicable laws and we confirm that the future transactions shall be in compliance with Companies Act, SEBI Regulation etc.

For further details, please refer to the chapter titled “Financial Information – Restated Financial Information – “Note 31” Restated Statement of Related Party Transactions”. While we believe that all our related party transactions have been conducted on an arm’s length basis as per the Companies Act, 2013, 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.

**26. *We operate in highly competitive markets and our inability to compete effectively may lead to lower market share or reduced operating margins, and adversely affect our results of operations.***

We operate in a highly competitive market, with participants in the organized and the unorganized sectors. There are no entry barriers in our industry, which puts us to the threat of competition from new entrants. We face competition from other manufacturers, traders, suppliers and importers of electric equipment in relation to our offerings.

There are various principal factors affecting competition in our business which includes:

- Quality of the products and services Company offers
- Consumer preferences and demand
- Relationship with Clients
- Brand recognition and reputation in the market
- Pricing strategy
- timely delivery of the products and services.

In the event of inability to compete effectively in the market, this can increase competition in the market, lower our market share, reduce our operating margins and adversely affect our results of operations.

**27. *In addition to normal remuneration, other benefits and reimbursement of expenses some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.***

Some of our Directors (including our Promoters) and Key Management Personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration or benefits and reimbursement of expenses. As a result, our directors will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. We cannot assure you that our directors or our Key Management Personnel would always exercise their rights as shareholders to the benefit and best interest of our Company, thereby adversely affecting our business and results of operations and prospects.

**28. *If we fail to maintain an effective system of internal controls, we may not be able to successfully manage or accurately report our financial risk.***

Effective internal controls are necessary for us to prepare reliable financial reports and effectively prevent and detect any frauds or misuse of funds. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may decline over time. There can be no assurance that additional deficiencies or lacks in our internal controls will not arise in the future, or that we will be able to implement and continue to maintain adequate measures to rectify or mitigate any such deficiencies or lacks in our internal controls. If internal control weaknesses are identified in a delayed manner, our actions may not be sufficient to correct such internal control weakness. Such instances may also adversely affect our reputation, thereby adversely impacting our business, results of operations and financial condition.

**29. *Certain Agreements, deeds or licenses, statutory approvals and certificates may be in the previous name of the company, we have to update the name of our company in all the statutory approvals and certificates due to the conversion of our Company.***

As of December 18, 2023, our company Aesthetik Engineers Private Limited was converted into a public limited company, as per the shareholder's resolution. This was followed by a fresh certificate of incorporation dated January 24, 2024. As a result of this conversion, we must update the name on all of our statutory approvals and certificates, including the PAN.

However, we cannot guarantee that we will be able to update all of these documents in a timely manner, in case of failure to update these documents could result in legal and financial complications, which may subject us to increased compliance costs, which may in turn result in an adverse effect on our financial condition.

**30. *We are subject to stringent labour laws or other industry standards and any strike, work stoppage, Lock-out or increased wage demand by our employees or any other kind of disputes with our employees could adversely affect our business, financial condition and results of operations.***

Our manufacturing activities are labour-intensive. We are subject to a number of stringent labour laws that protect the interests of our workers. We have not experienced significant labour unrest in the past, strikes, lock-outs and other labour action but such may have an adverse impact on our operations, and if not resolved in a timely manner, could lead to disruptions in our operations. We cannot guarantee that we will not experience any strike, work stoppage, lock out or increased wage demand or other industrial action in the future and any such event could adversely affect our business, results of operation and financial condition.

**31. *We are dependent on our promoters and our management team and the loss of, or our inability to hire, retain, train, and motivate qualified personnel could adversely affect our business, results of operations and financial condition.***

Our promoter and managing director, Mr. Avinash Agarwal has over two decades of experience in the Facade industry and is responsible for the growth of our business and is closely involved in the overall strategy, direction and management of our business.

We are also dependent on our senior management, directors and other key personnel, and believe our senior management and their understanding of the industry trends and market changes have been instrumental in the success of our brand amongst our customers. The loss of the services of our key personnel and any of our other executive officers, and our inability to find suitable replacements, could result in a decline in sales, delays in product development, and harm to our business and operations.

We may incur significant costs to attract and recruit skilled personnel, and we may lose new personnel to our competitors or other technology companies before we realise the benefit of our investment in recruiting and training them. If we fail to attract new personnel or fail to retain and motivate our current personnel who are capable of meeting our growing technical, operational, and managerial requirements on a timely basis or at all, our business may be adversely affected.

- 32. *Our Promoters, together with our Promoter Group, will continue to retain majority shareholding in our Company after the Issue, which will allow them to exercise significant control over us. We cannot assure you that our Promoters and Promoter Group will always act in the best interests of the Company or you.***

The majority of our issued and outstanding Equity Shares are currently beneficially owned by our Promoters and the members of our Promoter Group. Upon completion of the Issue, our Promoters and members of our Promoter Group will own 1,26,56,175 Equity Shares, or 73.50% of our post-issue paid up equity share capital, assuming full subscription of the Issue. Accordingly, our Promoters and members of our Promoter Group will continue to exercise significant influence over our business policies and affairs and all matters requiring shareholders' approval, including the composition of the Board of Directors, the adoption of amendments to our constitutional documents, policies for dividends, lending, investments and capital expenditures.

The interests of our Promoters and Promoter Group as the Company's controlling shareholders could conflict with the Company's interests or the interests of its other shareholders. There can be no assurance that our Promoters and Directors will exercise their rights as shareholders to the benefit and best interest of our Company.

- 33. *We are subject to various laws and regulations and required to comply with several regulatory compliance requirement, in jurisdictions where we operate, including environmental and health and safety laws and regulations, which may subject us to increased compliance costs, which may in turn result in an adverse effect on our financial condition.***

Our operations are subject to various national, state and local laws and regulations. We are subject to laws specific to the industry in which we operate, as well as laws generally governing business in India, including those relating to the protection of the environment and occupational health and safety, including those governing the generation, handling, storage, use, management, transportation and disposal of, or exposure to, environmental pollutants or hazardous materials resulting from our manufacturing processes.

Our inability to control the costs involved in complying with these and other relevant laws and regulations and Failure to comply with these laws and regulations can result in severe penalties, including fines, legal action, and damage to the business's reputation, which could have an adverse effect on our business, financial condition, results of operations and cash flows.

For more details, please refer to chapter titled "Key Regulations and Policies" on page 153 of this Draft Red Herring Prospectus.

- 34. *Any variation in the utilisation of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.***

We propose to utilise the Net Proceeds towards the objects of the Company as mentioned in chapter titled "Objects of the Issue" beginning on page 77. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Sections 13(8) and 27 of the Companies Act, 2013, we cannot undertake any variation in the utilisation of the Net Proceeds without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilisation of the Net Proceeds, we may not be able to obtain the shareholders' approval in a timely manner, or at all. Any delay or inability in obtaining such shareholders' approval may adversely affect our business or operations.

Further, our Promoters would be liable 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 of our Promoters to provide an exit opportunity to such dissenting shareholders may deter the Promoters from agreeing to the variation of the proposed utilisation 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.

***35. Our Company has not paid any dividend in past 3 financials years and our ability to pay dividends in the future may be affected by any material adverse effect on our future earnings, financial condition or cash flows.***

Our ability to pay dividends in future will depend on our earnings, financial condition and capital requirements. Our business is working capital intensive and declaration of dividend will depend upon financial performance of our Company at the time of declaration. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements (if any) in respect of our operations, financial condition and results of operations. Our Company has not declared dividends in the past and there can be no assurance that our Company will declare dividends in the future. For further details, please refer to the chapter titled “*Dividend Policy*” on pages 195 of this Draft Red Herring Prospectus.

***36. Industry information included in this Draft Red Herring Prospectus has been derived from an industry report from various websites. The reliability on the forecasts of the reports could be incorrect and would significantly impact our operations.***

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this Prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Prospectus.

***37. Our Company’s future funding requirements, in the form of further issue of capital or other securities and/or loans that might be availed by us, may turn out to be prejudicial to the interest of the shareholders depending upon the terms and conditions on which they are raised.***

We may require additional capital from time to time depending on our business needs. Any further issue of Equity Shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing shareholders. If such funds are raised in the form of loans or debt or preference shares, then it may substantially increase our fixed interest/dividend burden and decrease our cash flows, thus adversely affecting our business, results of operations and financial condition.

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## Issue Related Risk Factors

**38. *There are certain restrictions on daily movements in the price of Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.***

Following the Issue, we will be subject to a daily circuit breaker imposed by NSE, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breakers will be set by the stock exchange based on the historical volatility in the price and trading volume of the Equity Shares. This circuit breaker will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

**39. *After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.***

The price of the Equity Shares on the Stock Exchanges may fluctuate as a result of the factors, including:

- Volatility in the Indian and global capital market;
- Company's results of operations and financial performance;
- Performance of Company's competitors,
- Adverse media reports on Company or pertaining to our Industry;
- Changes in our estimates of performance or recommendations by financial analysts; and
- Significant developments in India's economic and fiscal policies;

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

**40. *Market price of our share will be decided by market forces and issue price of equity share may not be indicative of the market price our share price after the issue.***

After listing and trading permission of equity shares, the price of the shares shall be driven by free market forces. The market price of a company's share is determined by the forces of supply and demand in the stock market. These forces are influenced by a variety of factors, including the company's financial performance, industry trends, economic conditions, and investor sentiment.

When a company issues equity shares, it sets an issue price based on various factors such as the company's valuation, the prevailing market conditions, and the demand for its shares. However, the issue price is not necessarily indicative of the market price of the shares after the issue.

Once the shares are listed on the stock exchange, their price is determined by the forces of supply and demand in the market. If there is strong demand for the shares, the price may rise above the issue price, and if there is weak demand, the price may fall below the issue price.

Therefore, while the issue price of equity shares provides a starting point for the company's valuation, it is not necessarily a reliable indicator of the market price of the shares after the issue. Investors should carefully evaluate all relevant factors and information before making investment decisions in the stock market.

## **External Risk Factors**

**41. *Outbreaks of contagious diseases, such as the recent outbreak of COVID-19, may have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.***

India experienced multiple waves of COVID-19 which had impacted global supply chains and resulted in shortages of materials and components used in the manufacturing operations and an inability to meet the manufacturing targets and this impact continues till date. The COVID-19 pandemic had resulted in restrictions on travel and transportation and prolonged closures of workplaces, businesses and schools, with employees being asked to work from home and citizens being advised to stay at home. Consequently, there was a significant disruption in attendance at the manufacturing facilities.

There can be no assurance that any future outbreak of contagious diseases will not have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

**42. *Changes in the Government Policy could adversely affect economic conditions in India generally and our business in particular.***

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. Elimination or substantial change of policies or the introduction of policies that negatively affect the Company's business could cause its results of operations to suffer. Any significant change in India's economic policies could disrupt business and economic conditions in India generally and the Company's business in particular.

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

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the country in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports of materials, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations, financial condition and cash flows.

**44. *Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations.***

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include STT, GST, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. Imposition of any other taxes by the Central and the State Governments may adversely affect our results of operations.

**45. *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.

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

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade the global equity markets as well generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

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## SECTION IV- INTRODUCTION

### THE ISSUE

Particulars	Details of Number of Shares
Issue of Equity Shares by our Company	45,64,000 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●]/- per Equity Share aggregating to Rs. [●] Lakh.
<b>Of which:</b>	
Reserved for Market Makers	2,32,000 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●]/- per Equity Share aggregating to Rs. [●] Lakh.
Net Issue to the Public	43,32,000 Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●]/- per Equity Share aggregating to Rs. [●] Lakh.
<b>Of which:</b>	
<b>A. QIB portion **</b>	Not more than [●] Equity Shares
Of which	
(a) Anchor Investor Portion	Upto [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Lakhs
(b) Net QIB Portion (assuming the anchor Investor Portion is fully subscribed)	Upto [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Lakhs
<b>Of which:</b>	
(i) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	Upto [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Lakhs
(ii) Balance of QIB Portion for all QIBs including Mutual Funds	Upto [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Lakhs
<b>B. Non – institutional portion **</b>	Not Less than [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Lakhs
<b>C. Retail portion **</b>	Not Less than [●] Equity Shares of face value of Rs.10/- each fully paid-up for cash at price of Rs. [●] /- per Equity Share aggregating to Rs. [●] Lakhs
<b>Pre-and Post-Issue Equity Shares:</b>	
Equity Shares outstanding prior to the Issue	1,26,56,175 Equity Shares of Rs.10/- each
Equity Shares outstanding after the Issue	1,72,20,175 Equity Shares of Rs.10/- each
Use of Proceeds	Please see the chapter titled “ <i>Objects of the issue</i> ” on page 77 of this Draft Red Herring Prospectus for information about the use of Net Proceeds.

*\*\*As per the Regulation 253 of the SEBI (ICDR) Regulations, 2018, as amended, as present issue is a Book Building issue the allocation is the net offer to the public category shall be made as follows:*

- a) *Not less than Thirty five percent to retail individual investor;*
- b) *Not less than Fifteen percent to non-institutional investor*
- c) *Not more than fifty percent to qualified institutional buyers, five percent of which shall be allocated to mutual funds.*

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

*Provided further that in addition to five percent allocation available in terms of clause (C), mutual funds shall be eligible for allocation under the balance available for qualified institutional buyers.*

*Our Company, in consultation with the BRLM, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. 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 Net 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 Net QIB Portions 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 Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see “Issue Procedure” on page 288.*

*Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories, as applicable, at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange, subject to applicable law.*

#### **Notes**

- 1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. The issue is being made by our company in terms of Regulation 229 (2) of SEBI (ICDR) Regulation, read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post issued paid-up equity share capital of our company are being offered to the public for subscription.*
- 2) The Issue has been authorized by our Board pursuant to a resolution passed at its meeting held on April 12, 2024 and by our Shareholders pursuant to a resolution passed at the EGM held on April 16, 2024. This Issue is made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details please refer to section titled “Issue Structure” beginning on page no. 326 of this Draft Red Herring Prospectus.*

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**SUMMARY OF OUR FINANCIAL INFORMATION**

ANNEXURE – I

**RESTATED STATEMENT OF ASSETS AND LIABILITIES**

(Amount in Thousands)

Particulars	Note no.	As at 31st Dec, 2023	As at 31st March, 2023	As at 31st March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Assets</b>					
<b>Non-Current Assets</b>					
a) Property, Plant and Equipment and Intangible assets	2	17,691.50	37,407.00	38,925.59	40,774.08
b) Financial Assets					
i) Other financial asset	3	22,709.12	44,250.31	38,817.84	17,193.03
c) Deferred tax assets (Net)	4	1,490.68	1,649.71	1,616.06	1,590.01
d) Other Non-Current Assets	5	15,484.45	18,589.96	15,592.08	22,948.02
		<b>57,375.74</b>	<b>1,01,896.97</b>	<b>94,951.58</b>	<b>82,505.15</b>
<b>Current Assets</b>					
a) Inventories	6	71,695.22	48,364.00	42,894.33	37,218.05
b) Financial assets					
i) Trade receivables	7	1,52,736.20	72,339.12	69,850.27	39,240.64
ii) Cash and Cash equivalents	8	10,132.83	2,609.02	3,042.89	29,964.75
c) Current Tax assets (Net)	9	-	4,109.21	2,996.10	1,611.96
d) Other current assets	10	40,894.23	16,458.57	15,397.15	3,290.35
		<b>2,75,458.48</b>	<b>1,43,879.93</b>	<b>1,34,180.74</b>	<b>1,11,325.75</b>
<b>Total Assets</b>		<b>3,32,834.22</b>	<b>2,45,776.90</b>	<b>2,29,132.32</b>	<b>1,93,830.90</b>
<b>Equity and Liabilities</b>					
<b>Equity</b>					
a) Equity Share Capital	11	8,437.45	8,437.45	8,437.45	8,437.45
b) Other Equity	12	131,457.06	91,504.35	80,245.64	84,758.10
		<b>139,894.51</b>	<b>99,941.80</b>	<b>88,683.09</b>	<b>93,195.55</b>
<b>Non-Current Liabilities</b>					
a) Financial liabilities					
i) Borrowings	13	45,194.40	14,125.00	32,242.38	54,134.70
		<b>45,194.40</b>	<b>14,125.00</b>	<b>32,242.38</b>	<b>54,134.70</b>
<b>Current Liabilities</b>					
a) Financial liabilities					
i) Borrowings	14	14,558.15	45,121.54	7,916.54	7,938.01
ii) Trade payables					
(A) total outstanding dues of micro enterprises and small enterprises;		-	-	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	15	90,120.71	44,321.22	45,436.23	13,273.66
b) Other current liabilities	16	34,954.72	40,950.96	53,987.25	24,538.41
c) Provisions	17	1,088.88	1,316.37	866.83	750.58
d) Current tax Liability (Net)	18	7073.20	-	-	-
		<b>1,47,745.31</b>	<b>1,31,710.09</b>	<b>1,08,206.85</b>	<b>46,500.65</b>
<b>Total Equity and Liabilities</b>		<b>3,32,834.22</b>	<b>2,45,776.89</b>	<b>2,29,132.31</b>	<b>1,93,830.90</b>

**RESTATED STATEMENT OF PROFIT AND LOSS**

**ANNEXURE – II**  
(Amount in Thousands)

Particulars		Note No.	For the period ended 31 December, 2023	For the period ended 31 March, 2023	For the period ended 31 March, 2022	For the period ended 31 March, 2021
<b>1</b>	Revenue from operations	19	4,72,631.19	4,00,097.64	2,57,391.17	1,35,805.27
<b>2</b>	Other income	20	694.65	3,484.67	1,945.94	1,538.19
	<b>Total Income (1+2)</b>		<b>4,73,325.84</b>	<b>4,03,582.31</b>	<b>2,59,337.11</b>	<b>1,37,343.46</b>
<b>3</b>	<b>Expenditure</b>					
	(a) Raw material consumption	21	3,47,988.75	3,43,021.77	2,12,405.32	1,03,306.44
	(b) Change in inventories of finished goods, work-in-progress and stock in trade	22	(8,046.48)	(7,433.75)	2,890.65	(3,709.90)
	(c) Employee benefit expenses	23	12,790.91	8,391.86	4,768.98	5,693.59
	(d) Finance cost	24	5,093.83	5,532.21	3,098.97	5,418.11
	(e) Depreciation and Amortisation expenses	25	2,663.90	3,342.57	3,420.90	3,471.89
	(f) Other expenses	26	59,153.61	35,659.49	25,829.05	22,769.81
<b>4</b>	<b>Total expenditure</b>		<b>4,19,644.52</b>	<b>3,88,514.15</b>	<b>2,52,413.87</b>	<b>1,36,949.95</b>
<b>5</b>	<b>Profit/Loss before exceptional &amp; extraordinary items &amp; tax (2-4)</b>		<b>53,681.32</b>	<b>15,068.16</b>	<b>6,923.24</b>	<b>393.52</b>
<b>6</b>	<b>Exceptional and extraordinary items</b>					
	Prior period items		-	-	-	-
<b>7</b>	<b>Profit/Loss before tax (5-6)</b>		<b>53,681.32</b>	<b>15,068.16</b>	<b>6,923.24</b>	<b>393.52</b>
<b>8</b>	<b>Tax expense</b>	<b>27</b>				
	(a) Current Tax		13,569.58	3,843.10	11,461.74	434.49
	(b) Deferred tax		159.03	(33.65)	(26.05)	(2,415.60)
	<b>Net current tax expenses</b>		<b>13,728.61</b>	<b>3,809.45</b>	<b>11,435.69</b>	<b>(1,981.11)</b>
<b>9</b>	<b>Profit/Loss for the year (7-8)</b>		<b>39,952.71</b>	<b>11,258.71</b>	<b>(4,512.46)</b>	<b>2,374.62</b>
	<b>Other comprehensive income</b>					
	A. (i) Items that will be reclassified to profit and loss		-	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-	-	-
	B. Items that will not be reclassified to profit and loss					
	(a) Income tax relating to items that will not be reclassified to profit or loss		-	-	-	(899.87)
	(b) Revaluation Reserve on Land		-	-	-	3,575.47
	Other Comprehensive Loss for the year		-	-	-	2,675.59
	<b>Total Comprehensive Income/(Loss) for the period (VII+VIII)</b>		<b>39,952.71</b>	<b>11,258.71</b>	<b>(4,512.46)</b>	<b>5,050.22</b>

	(Comprising Profit /(Loss) and Other Comprehensive Income for the period)		-	-	-	-
	<b>Earning per Equity Share of Rs. 10 each (in Rupees)</b>	<b>28</b>				
	<b>Basic &amp; Diluted EPS</b>		47.53	13.34	(5.35)	2.81

*This space has been left blank intentionally.*

**RESTATED CASH FLOW STATEMENTS**

**Annexure III**

(Amt in Thousands)

		For the period ended 31 December,2023	For the period ended 31 March, 2023	For the period ended 31 March, 2022	For the period ended 31 March, 2021
	<b>Particulars</b>				
<b>A)</b>	<b><u>CASH FLOW FROM OPERATING ACTIVITIES:</u></b>				
	Net Profit before Tax & Extra-ordinary items	53,681.32	15,068.16	6,923.24	393.52
	<b>Adjustments for :</b>				
	Depreciation	2,663.90	3,342.57	3,420.90	3,471.89
	Interest Income	(214.55)	(106.57)	(853.26)	(1,264.92)
	Loss on Surrender *	2,080.95	-	-	-
	Interest Expense	5,093.83	5,532.21	3,093.97	5,418.11
	Provision for Trade Receivables	(92.19)	(242.20)	447.74	999.05
	Provision for Gratuity	(227.50)	449.55	116.25	750.58
	(Profit)/ Loss on sale of fixed assets	(207.51)	-	0.11	-
	Interest on Income Tax Refund	(174.82)	-	-	-
	<b>Operating Profit before working capital changes.</b>	<b>62,603.44</b>	<b>24,043.72</b>	<b>13,148.94</b>	<b>11,934.01</b>
	<b>Changes in working capital</b>				
	Short Term Borrowings	(30,563.39)	37,205.00	(21.47)	3,230.85
	Trade payables	45,799.49	(1,115.01)	32,162.57	(18,851.92)
	Other Current Liabilities	(5,996.24)	(13,036.29)	29,448.85	(10,953.23)
	Inventories	(23,331.23)	(5,469.67)	(5,676.28)	11,425.58
	Trade receivables	(80,304.89)	(2,246.65)	(31,057.38)	(12,084.76)
	Other Current Assets & current tax assets	(13,253.26)	(2,174.53)	(13,490.93)	8,763.70
	<b>Cash Utilised / from Operation</b>	<b>(45,096.08)</b>	<b>37,206.57</b>	<b>24,514.31</b>	<b>(8,701.56)</b>
	Direct Tax Paid	(13,445.10)	(3,843.10)	(11,461.74)	(434.49)
	<b>Net Cash from/utilised in Operating Activities</b>	<b>(58,491.18)</b>	<b>33,363.47</b>	<b>13,052.57</b>	<b>(9,136.05)</b>
		(A)			
<b>B</b>	<b><u>CASH FLOW FROM INVESTING ACTIVITIES :</u></b>				
	Disposal of Fixed Assets	16,690.42	-	40.00	689.95
	Investment in Fixed Assets	(1,512.25)	(1,823.98)	(1,612.52)	(5,242.60)
	Proceeds from Insurance claim for damaged Fixed Assets	-	-	-	2,165.78
	Interest	214.55	106.57	853.26	1,264.92
	Other Financial Assets	21,541.19	(5,432.47)	(21,624.81)	17,695.82
	Other non-current assets	3,105.51	(2,997.87)	7,355.94	(2,388.93)
	<b>Net Cash from/used in investing Activities</b>	<b>40,039.42</b>	<b>(10,147.75)</b>	<b>(14,988.13)</b>	<b>14,184.94</b>
		(B)			
<b>C</b>	<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES :</u></b>				
	Interest	(5,093.83)	(5,532.21)	(3,093.97)	(5,418.11)
	Acceptance/(Repayment) of long term borrowings	31,069.40	(18,117.38)	(21,892.33)	5,696.32
	<b>Net Cash from/utilised in Financial Activities</b>	<b>25,975.57</b>	<b>(23,649.58)</b>	<b>(24,986.29)</b>	<b>278.20</b>
		(C)			
	Net Increase / decrease in Cash & Cash Equivalents (A+B+C )	7,523.80	(433.87)	(26,921.86)	5,327.09
	Cash & Cash Equivalents (Opening Balance)	2,609.02	3,042.89	29,964.75	24,637.66
	<b>Cash &amp; Cash Equivalents (Closing Balance)</b>	<b>10,132.83</b>	<b>2,609.02</b>	<b>3,042.89</b>	<b>29,964.75</b>

## GENERAL INFORMATION

### Brief Information on Company and Issue

<b>Registered Office</b>	1858/1, 5th Floor, Unit 503-505, Acropolis Mall, Rajdanga Main Road, Kasba, Kolkata, West Bengal-700107, India Tel.: +91 9836000052; Fax: N.A. E-mail: <a href="mailto:cs@aesthetik.in">cs@aesthetik.in</a> ; Website: <a href="http://www.aesthetik.in">www.aesthetik.in</a> ;			
<b>Date of Incorporation</b>	April 02, 2008			
<b>CIN</b>	U74210WB2008PLC124716			
<b>Company Category</b>	Company Limited by Shares			
<b>Registrar of Company</b>	Registrar of Companies, Kolkata Nizam Palace, 2nd MSO Building, 2nd Floor, 234/4, A.J.C.B. Road, Kolkata-700020, West Bengal Tel No.: 033-22877390 Email: <a href="mailto:roc.kolkata@mca.gov.in">roc.kolkata@mca.gov.in</a> Website: <a href="http://www.mca.gov.in">www.mca.gov.in</a>			
<b>Company Secretary and Compliance Officer</b>	Ms. Priyanka Gupta 1858/1, 5th Floor, Unit 503-505, Acropolis Mall, Rajdanga Main Road, Kasba, Kolkata, West Bengal-700107, India Tel: +91 9836000052; Fax: N.A. Email: <a href="mailto:cs@aesthetik.in">cs@aesthetik.in</a>			
<b>Chief Financial Officer</b>	Mr. Jai Kishan Ojha 1858/1, 5th Floor, Unit 503-505, Acropolis Mall, Rajdanga Main Road, Kasba, Kolkata, West Bengal-700107, India Tel: +91 9836000052; Fax: N.A. Email: <a href="mailto:fin@aesthetik.in">fin@aesthetik.in</a>			
<b>Designated Stock Exchange</b>	Emerge Platform of National Stock Exchange of India Limited Address: Exchange Plaza, Plot no. C/1, G Block, Bandra – Kurla Complex, Bandra (East), Mumbai – 400051			
<b>Bid/ Issue Programme</b>	Bid/Issue Opens On:	[●]	Bid/Issue Closes On:	[●]
	Anchor Investor Bidding date	[●]		

*Note: Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days.*

**DETAILS OF INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY**

<b>Book Running Lead Manager to the Issue</b>	<b>Registrar to the Issue</b>
	
<b>Narnolia Financial Services Limited</b>	<b>Skyline Financial Services Private Limited</b>
<b>Address:</b> 201, 2nd Floor, Marble Arch, 236 B A.J.C Bose Road, Kolkata, West Bengal- 700020, India	<b>Address:</b> D-153 A, 1 <sup>st</sup> Floor, Okhla Industrial Area, Phase – I, New Delhi-110020
<b>Tel No.:</b> +91- 8130678743	<b>Tel No:</b> +91-11-40450193-97
<b>Fax No.:</b> Not Available	<b>Fax No:</b> +91-11-26812683
<b>Email:</b> <a href="mailto:pankaj.passi@narnolia.com">pankaj.passi@narnolia.com</a>	<b>Email:</b> <a href="mailto:compliances@skylinerta.com">compliances@skylinerta.com</a>
<b>Website:</b> <a href="http://www.narnolia.com">www.narnolia.com</a>	<b>Website:</b> <a href="http://www.skylinerta.com">www.skylinerta.com</a>
<b>Contact Person:</b> Mr. Pankaj Pasi	<b>Contact Person:</b> Mr. Pawan Bisht
<b>SEBI Registration No.</b> INM000010791	<b>SEBI Registration No.:</b> INR000003241

<b>Banker to the company</b>	<b>Banker to the Issue &amp; Sponsor bank</b>
	[•]
<b>ICICI Bank Limited</b>	
<b>Address:</b> Ground Floor-38, Vivekananda Road, Kolkata, West Bengal-700007	
<b>Tele. No.:</b> +91-8133073092	
<b>Fax No.:</b> NA	
<b>E-mail:</b> <a href="mailto:prasenjit.chakraborty1@icicibank.com">prasenjit.chakraborty1@icicibank.com</a>	
<b>Website:</b> <a href="http://www.icicibank.com">www.icicibank.com</a>	
<b>Contact Person:</b> Prasenjit Chakraborty	

<b>Legal Advisor</b>	<b>Peer Review/ Statutory Auditor</b>
<b>AK Singh &amp; Associates</b>	<b>M/s Maroti &amp; Associates, Chartered Accountants</b>
<b>Address:</b> Nicco House, 2, Hare Street, 7th Floor, Kolkata - 700 001	<b>Address:</b> Diamond Heritage, 5th Floor, Unit- N503, 16, Strand Road, Fairley Place, Kolkata- 700001
<b>Tel No.:</b> +91- 9830202752	<b>Tel No.:</b> +91-8100154722
<b>Email:</b> <a href="mailto:anuj.advocate@gmail.com">anuj.advocate@gmail.com</a>	<b>Email Id:</b> <a href="mailto:audit@maroti.in">audit@maroti.in</a> ; <a href="mailto:vivek@maroti.in">vivek@maroti.in</a>
<b>Contact Person:</b> Mr. Anuj Singh	<b>Contact Person:</b> Vivek Gupta
<b>Enrollment No.:</b> WB/841/2002	<b>Peer Review No.:</b> 015687
	<b>Firm Review No.:</b> 322770E

<b>Market Maker</b>
[•]

## DETAILS OF BOARD OF DIRECTORS OF OUR COMPANY

S. N.	Name	DIN	Category	Designation
1.	Avinash Agarwal	01889340	Executive	Managing Director
2.	Sreeti Agarwal	03135066	Executive	Director
3.	Manisha Surekha	07110625	Non-Executive	Director
4.	Ullash Pradhan	08784984	Non-Executive	Independent Director
5.	P Singa Ram	10515379	Non-Executive	Independent Director

*For further details of our Directors, please refer chapter titled “Our Management” beginning on page 165 of this Draft Red Herring prospectus.*

*Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Offer, Skyline Financial Services Private Limited and/or the BRLM, i.e., Narnolia Financial Services Limited, in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary account, unblocking of amount in ASBA, etc.*

*All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB to whom the Application was submitted (at ASBA Bidding Locations), giving full details such as name, address of the applicant, number of Equity Shares applied for, Application Amount blocked, ASBA Account number and the Designated Branch of the relevant SCSBs where the Application was submitted by the ASBA Applicants.*

*For all Issue related queries and for redressal of complaints, Applicants may also write to the BRLM. All complaints, queries or comments received by Stock Exchange/SEBI shall be forwarded to the BRLM, who shall respond to the same.*

### SELF-CERTIFIED SYNDICATE BANKS

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on the website of SEBI. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the below mentioned SEBI link.

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>

### REGISTERED BROKERS

Bidders can submit Bid cum Application Forms in the Offer using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI (www.sebi.gov.in) and updated from time to time. For details on Registered Brokers, please refer

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

### REGISTRAR TO OFFER AND SHARE TRANSFER AGENTS

The list of the RTAs eligible to accept Bid cum Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time.

## **COLLECTING DEPOSITORY PARTICIPANTS**

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

## **STATEMENT OF RESPONSIBILITY OF THE BOOK RUNNING LEAD MANAGER/STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES**

Since Narnolia Financial Services Limited is the sole Book Running Lead Manager (BRLM) to the Offer and all the responsibilities relating to co-ordination and other activities in relation to the Offer shall be performed by them.

## **CREDIT RATING**

This being an issue of Equity Shares, credit rating is not required.

## **IPO GRADING**

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

## **EXPERT OPINION**

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

Our Company has received written consent dated April 12, 2024, from Peer Review Auditor namely, M/s Maroti & Associates, Chartered Accountants (FRN: 322770E), and Legal Advisor, Adv. Anuj Singh dated April 12, 2024, to include their name as an expert as defined under Section 2(38) of the Companies Act, read with Section 26(5) of the Companies Act 2013.

The report of the peer review auditor on Statement of Tax Benefits and report on Restated Financials, for the period ended on December 31, 2023 & financial years ended March 31, 2023, 2022 & 2021 as included in this Draft Red Herring Prospectus.

Further, Adv. Anuj Singh has given his legal due diligence report, as included in this Draft Red Herring Prospectus, in relation to the Outstanding Litigations and Material Developments dated April 25, 2024.

Aforementioned consents have not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term - expert shall not be construed to mean an - expert as defined under the U.S. Securities Act. All the intermediaries including Merchant Banker has relied upon the appropriacy and authenticity of the same.

## **DEBENTURE TRUSTEE**

Since this is not a debenture issue, appointment of debenture trustee is not required.

## **APPRAISAL AND MONITORING AGENCY**

As per regulation 262(1) of SEBI ICDR Regulations, the requirement of monitoring agency is not mandatory if the Issue size is up to Rs. 10,000 Lakh. Since the Issue size is below Rs. 10,000 Lakh, our Company has not appointed any monitoring agency for this Issue. However, as per section 177 of the Companies Act, 2013 the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the issue.

## **BOOK BUILDING PROCESS**

The book building, in the context of the Issue, refers to the process of collection of Bids on the basis of the Draft Red Herring Prospectus/ Red Herring Prospectus within the Price Band, which will be decided by our Company, in consultation with the BRLM, and will be advertised in [●] editions of the English national newspaper, [●] editions of the Hindi national newspaper, and [●] editions in regional newspaper of West Bengal, where our Registered Office is located, each with wide circulation, at least two working days prior to the Bid/ Offer Opening Date. The Offer Price shall be finalized after the Bid/ Issue Closing Date. The principal parties involved in the Book Building Process are:

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

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

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

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

For further details, please refer to the chapters titled “Issue Structure” and “Issue Procedure” beginning on pages 326 and 288, respectively of this Draft Red Herring Prospectus.

## **ILLUSTRATION OF BOOK BUILDING PROCESS AND THE PRICE DISCOVERY PROCESS**

For an illustration of the Book Building Process and the price discovery process, please refer to the chapter titled “Issue Procedure” on page 288 of this Draft Red Herring Prospectus.

## UNDERWRITING AGREEMENT

Our Company and BRLM to the issue hereby confirm that the Issue is 100% Underwritten. The Underwriting agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

Name, Address, Telephone, Fax, and Email of the Underwriter	Indicative No. of Equity Shares to Be Underwritten	Amount Underwritten (Rs. In Lakh)	% of the Total Issue Size Underwritten
[●] Address: [●] Telephone: [●] Email: [●] Website: [●] Contact Person: Mr. [●] SEBI Registration No. [●]	[●]	[●]	[●]

In the opinion of our Board of Directors of the Company, the resources of the abovementioned Underwriter is sufficient to enable them to discharge the underwriting obligations in full. The above-mentioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges.

## FILING OF PROSPECTUS

A soft copy of the Red Herring Prospectus and Prospectus shall be filed with SEBI through SEBI Intermediary Portal at <https://siportal.sebi.gov> in as per Regulation 246(1) of SEBI (ICDR) Regulations. Pursuant to Regulation 246(2) of SEBI ICDR Regulations, the SEBI shall not issue any observation on the offer document. A copy of the Red Herring Prospectus and Prospectus along with the documents required to be filed under Section 26 read with Section 32 of the Companies Act will be delivered to the Registrar of Companies, Kolkata, Nizam Palace, 2nd MSO Building, 2nd Floor, 234/4, A.J.C.B. Road, Kolkata-700020, West Bengal.

## CHANGE IN THE AUDITOR DURING LAST 3 YEAR

The following changes have taken place in the Auditors during the last three years preceding the date of this Draft Red Herring Prospectus:

Name of the Auditor	Date of Appointment	Date of Resignation	Reason for Change
M/s N.K. Chirania & Co. <b>FRN:</b> 317007E <b>Address:</b> 5, Tarak Pramanik Road, 1 <sup>st</sup> Floor, Near Girish Park, Kolkata, West Bengal- 700006	30/09/2019	13/02/2024	Due to Pre-Occupancy
M/s Maroti & Associates <b>FRN:</b> 322770E <b>Address:</b> Diamond Heritage, 5th Floor, Unit- N503, 16, Strand Road, Fairley Place, Kolkata- 700001	15/02/2024	NA	NA

## **WITHDRAWAL OF THE ISSUE**

Our Company in consultation with the BRLM, reserves 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 two (2) 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 BRLM, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one (1) day of receipt of such notification. Our Company shall also promptly inform NSE Emerge 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 NSE Emerge, 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.

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

Our Company and the BRLM have entered into a tripartite agreement dated [●] with [●] the Market Maker for this Issue, duly registered with NSE Emerge to fulfill the obligations of Market Making:

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the NSE and SEBI regarding this matter from time to time. Following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. 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 NSE Limited and SEBI from time to time.
3. The minimum depth of the quote shall be Rs.1,00,000. However, the investors with holdings of value less than Rs.1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
5. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
6. On the first day of the listing, there will be pre-opening session (call auction) and thereafter 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.
7. The Marker maker may also be present in the opening call auction, but there is no obligation on him to do so.
8. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

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

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

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

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

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

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

The Marketing 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/NSE from time to time.

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

## CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Draft Red Herring Prospectus is set forth below:

<i>Amount (Rs. In Lakhs)</i>			
S. No.	Particulars	Aggregate Nominal value	Aggregate value at offer price
<b>A.</b>	<b>Authorised Share Capital</b>		
	2,00,00,000 Equity Shares of Rs.10/- each	2,000.00	-
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Share Capital before the Issue</b>		
	1,26,56,175 Equity Shares of Rs.10/- each	1,265.61	-
<b>C.</b>	<b>Present Issue in terms of the Draft Red Herring Prospectus</b>		
	Issue of 45,64,000 Equity Shares of face value of Rs.10/- each at a premium of Rs. [●] /- per share	456.40	[●]
	<i>of which:</i>		
(I)	Reservation for Market Maker- 2,32,000 Equity Shares of Rs.10/- each at a price of Rs. [●] /- per Equity Share reserved as Market Maker Portion.	23.20	[●]
(II)	Net Issue to the Public – 43,32,000 Equity Shares of Rs.10/- each at a price of Rs. [●] /- per Equity Share.	433.20	[●]
	<i>Of the Net Issue to the Public</i>		
<b>I</b>	<b>Allocation to Qualified Institutional Buyer – [●] Equity Shares of Rs.10/- each at a price of Rs. [●] per Equity Share.</b>		
<b>II</b>	<b>Allocation to Retail Individual Investors – [●] Equity Shares of Rs.10/- each at a price of Rs. [●] /- per Equity Share shall be available for allocation for Investors applying for a value of up to Rs.2.00 Lakhs.</b>	[●]	[●]
<b>III</b>	<b>Allocation to Non – institutional Investors – [●] Equity Shares of Rs.10/- each at a price of Rs. [●] /- per Equity Share shall be available for allocation for Investors applying for a value of above Rs.2.00 Lakhs.</b>	[●]	[●]
<b>D.</b>	<b>Issued, Subscribed and Paid-up Share Capital after the Issue</b>		
	1,72,20,175 Equity Shares of Rs. 10/- each		1722.01
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Issue		Nil
	After the Issue		[●]

*The present issue has been authorized by our Board of Directors vide a resolution passed at its meeting held on April 12, 2024 and by Special Resolution passed under Section 62(1)(C) of the Companies Act, 2013 at the EGM of our shareholders held on April 16, 2024.*

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

## NOTES TO THE CAPITAL STRUCTURE

### 1. Details of increase in Authorised Share Capital:

Since the incorporation of our Company, the Authorised share capital of our Company has been altered in the manner set forth below:

S. N.	Date	No. of Shares	Face Value (in Rs.)	Cumulative No. of Shares	Cumulative Authorised Share Capital (in Rs.)	Whether AGM/EGM
1.	On Incorporation	1,00,000	10	1,00,000	10,00,000	N.A.
2.	22-02-2010	1,00,000	10	2,00,000	20,00,000	EGM
3.	21-03-2011	2,00,000	10	4,00,000	40,00,000	EGM
4.	28-03-2011	6,00,000	10	10,00,000	1,00,00,000	EGM
5.	15-02-2024	1,90,00,000	10	2,00,00,000	20,00,00,000	EGM

### 2. History of Paid up Equity Share Capital of our Company

S. N.	Date of Allotment	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Paid-up Capital (Rs.)	Cumulative Securities premium (Rs.)
1.	On Incorporation	10,000	10	NA	Cash	Subscription to MOA	10,000	1,00,000	N.A.
2.	07-04-2008	60,000	10	10	Other than Cash	Takeover of partnership firm	70,000	7,00,000	N.A.
3.	02-07-2008	6,000	10	10	Cash	Private Placement	76,000	7,60,000	N.A.
4.	23-03-2010	20,000	10	10	Cash	Private Placement	96,000	9,60,000	N.A.
5.	31-03-2010	70,000	10	60	Cash	Private Placement	1,66,000	16,60,000	35,00,000
6.	30-03-2011	4,01,000	10	10	Cash	Private Placement	5,67,000	56,70,000	35,00,000
7.	25-10-2011	1,15,000	10	200	Cash	Private Placement	6,82,000	68,20,000	2,53,50,000
8.	29-03-2012	27,500	10	200	Cash	Private Placement	7,09,500	70,95,000	3,05,75,000
9.	22-10-2012	1,02,000	10	59	Cash	Private Placement	8,11,500	81,15,000	3,55,73,000
10.	16-07-2013	16,125	10	62	Cash	Private Placement	8,27,625	82,76,250	3,64,11,500
11.	25-11-2013	16,120	10	62	Cash	Private Placement	8,43,745	84,37,450	3,72,49,740
12.	30-03-2024	1,18,12,430	10	NA	Other than cash	Bonus Issue	1,26,56,175	12,65,61,750	Nil

**Note:**

1. Initial Subscribers to Memorandum of Association hold 10,000 Equity Shares each of face value of Rs. 10/- fully paid up as per the details given below:

S. N.	Name of Person	No. of Shares Allotted
1.	Avinash Agarwal	5,000
2.	Santosh Mishra	5,000
	<b>Total</b>	<b>10,000</b>

2. The Company thereafter Issued 60,000 Equity shares on April 07, 2008, for a consideration other than cash for the allotment on takeover of the partnership firm, mentioned in detail below:

S. N.	Name	No. of Shares Issued
1.	Avinash Agarwal	30,000
2.	Santosh Mishra	30,000
	<b>Total</b>	<b>60,000</b>

3. The Company thereafter Issued 6,000 Equity shares on July 02, 2008, for cash consideration by way of Private Placement, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Lakhan Deo Mishra	500
2.	Umrawati Mishra	500
3.	Manish Mishra	500
4.	Ranjit Mishra	500
5.	Pinki Mishra	500
6.	Nisha Mishra	500
7.	Kissen Lal Agarwal	500
8.	Vijay Kumar Agarwal	500
9.	Shyama Agarwal	500
10.	Sreeti Agarwal	500
11.	Priyanka Jain	500
12.	Manisha Sureka	500
	<b>Total</b>	<b>6,000</b>

4. The Company thereafter Issued 20,000 Equity shares on March 23, 2010, for a cash consideration by way of Private Placement, mentioned in detail below:

S. N.	Name	No. of Shares Issued
1.	Avinash Agarwal	10,000
2.	Santosh Mishra	10,000
	<b>Total</b>	<b>20,000</b>

5. The Company thereafter Issued 70,000 Equity shares on March 31, 2010, for cash consideration by way of Private Placement, mentioned in detail below:

S. N.	Name	No. of Shares Issued
1.	Vikrant Construction Private Limited	50,000
2.	Chanda Cast Iron Industries Private Limited	20,000
	<b>Total</b>	<b>70,000</b>

6. The Company thereafter Issued 4,01,000 Equity shares on March 30, 2011, for cash consideration by way of Private Placement, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Dinesh Jalan	1,000
2.	Avinash Agarwal	2,00,000
3.	Santosh Mishra	2,00,000
	<b>Total</b>	<b>4,01,000</b>

7. The Company thereafter Issued 1,15,000 Equity shares on October 25, 2010, for cash consideration by way of Private Placement, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Liberal Spinners Limited	5,000
2.	Amirgarh Traders Private Limited	5,000
3.	Kartick Commercials & Financiers Private Limited	20,000
4.	Pushker Trading & Holding Private Limited	15,000
5.	Chaturang Commercials Private Limited	5,000
6.	Lupmex Vincom Private Limited	10,000
7.	Blackpool Vinimay Private Limited	15,000
8.	Sagar Advisory Services Private Limited	10,000
9.	Onkar Agencies Private Limited	7,500
10.	Jetair Iron Private Limited	20,000
11.	Cold Gold Fashion Private Limited	2,500
	<b>Total</b>	<b>1,15,000</b>

8. The Company thereafter Issued 27,500 Equity shares on March 29, 2012, for cash consideration by way of Private Placement, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Lupmex Vincom Private Limited	2,500
2.	Blackpool Vinimay Private Limited	2,500
3.	Cold Gold Fashion Private Limited	7,500
4.	Software Wizards Limited	5,000
5.	Chanda Cast Iron Industries Private Limited	10,000
	<b>Total</b>	<b>27,500</b>

9. The Company thereafter Issued 1,02,000 Equity shares on October 22, 2012, for cash consideration by way of Private Placement, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Pushker Trading & Holding Private Limited	34,000
2.	Lupmex Vincom Private Limited	25,500
3.	Oven Commercials Private Limited	17,000
4.	Vikrant Construction Private Limited	25,500
	<b>Total</b>	<b>1,02,000</b>

10. The Company thereafter Issued 16,125 Equity shares on June 16, 2013, for cash consideration by way of Private Placement, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Eastern Synthetics Private Limited	16,125
	<b>Total</b>	<b>16,125</b>

11. The Company thereafter Issued 16,120 Equity shares on November 25, 2013, for cash consideration by way of Private Placement, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Lupmex Vincom Private Limited	8,060
2.	Blackpool Vinimay Private Limited	8,060
	<b>Total</b>	<b>16,120</b>

12. The Company thereafter Issued 1,18,12,430 Equity shares on March 30, 2024, for a consideration other than cash by way of Bonus Issue in the ratio of 14 Equity shares for every 1 Equity Share, mentioned in detail below:

S. N.	Name of Person	No. of Shares Allotted
1.	Avinash Agarwal	78,10,740
2.	Vijay kumar Agarwal	14,700
3.	Shyama Agarwal	35,000
4.	Sreeti Agarwal	7,91,700
5.	Priyanka Jalan	26,600
6.	Manisha Sureka	7,000
7.	Anukaaran Suppliers Private Limited	9,80,000
8.	Vijay kumar Agarwal HUF	14,76,650
9.	Avinash Agarwal HUF	6,70,040
	<b>Total</b>	<b>1,18,12,430</b>

*This place has been left blank intentionally.*

### 3. Shareholding of the Promoters of our Company

As on the date of this Draft Red Herring Prospectus, our Promoter – Mr. Avinash Agarwal, Ms. Sreeti Agarwal, Ms. Manisha Sureka and M/s Avinash Agarwal (HUF), holds total 83,68,650, 8,48,250, 7,500 and 7,17,900 Equity Shares respectively, representing 66.12%, 6.70%, 0.06% and 5.67% of the pre-issue paid up share capital of our Company, respectively.

#### *Details of build-up of shareholding of the Promoters*

Date of Allotment / acquisition / transaction and when made fully paid up	Nature (Allotment/ transfer)	Number of Equity Shares	Face Value per Equity Share (in Rs.)	Issue/ Transfer price per Equity Share (in Rs.)	Consideration (cash/ other than cash)	Name of Transferor / Transferee	% of pre issue capital of Cumulative Shares
<b>Mr. Avinash Aggarwal</b>							
Incorporation	Subscriber to MOA	5,000	10	10	Cash	N.A.	0.04%
07-04-2008	Allotment	30,000	10	10	Other than cash	N.A.	0.24%
23-03-2010	Allotment	10,000	10	10	Cash	N.A.	0.08%
30-03-2011	Allotment	2,00,000	10	10	Cash	N.A.	1.58%
31-12-2019	Transfer	1,49,000	10	113	Cash	Lakshan Deo Mishra: 28000 Shares Umrawati Mishra: 28000 Shares Santosh Mishra: 93,000 Shares	1.18%
25-09-2020	Transfer	2,800	10	113	Cash	Manish Mishra: 500 Shares Pinki Mishra: 500 Shares Nisha Mishra: 500 Shares Lakshan Deo Mishra (HUF): 300 Shares Brijesh Rai: 250 Shares Brijesh Rai (HUF): 250 Shares Lalita Rai: 250 Shares Rakesh Rai: 250 Shares	0.02%
25-09-2022	Transfer	350	10	113	Cash	Santosh Kumar Mishra (HUF)	Negligible
02-05-2023	Transfer	2,600	10	120	Cash	Ranjit Mishra: 500 Shares Madhu Mishra: 400 Shares Ram Chandra Rai: 250 Shares Indu Roy: 250 Shares Aman Rai: 250 Shares Abhilash Rai: 250 Shares Ranji Mishra (HUF): 300 Shares Ram Chandra Roy: 400 Shares	0.02%
20-07-2023	Transfer	1,54,560	10	Nil	Gift	Vijay Kumar Agarwal: 1,29,060 Shyama Agarwal: 25,500	1.22%
20-07-2023	Transfer	3,100	10	125	Cash	Ashok Singh	0.02%

27-07-2023	Transmission	500	10	Nil	Other than cash	Late Kissen Lal	Negligible
30-03-2024	Allotment	78,10,740	10	NA	Other than cash	N.A.	61.71%
<b>Total</b>		<b>83,68,650</b>					<b>66.12%</b>
<b>Ms. Sreeti Agarwal</b>							
02-07-2008	Allotment	500	10	10	Cash	N.A.	Negligible
31-12-2019	Transfer	55000	10	113	Cash	Santosh Mishra	0.43%
05-07-2023	Transfer	1050	10	Nil	Gift	Neha Dalmia: 300 Chirag Dalmia: 450 Shares Sashi Devi Dalmia: 300 Shares	0.01%
30-03-2024	Allotment	7,91,700	10	NA	Other than cash	N.A.	6.26%
<b>Total</b>		<b>8,48,250</b>					<b>6.70%</b>
<b>M/s Avinash Agarwal (HUF)</b>							
01-12-2011	Transfer	35,000	10	10	Cash	Jetair Iron Private Limited: 20,000 Shares BlackPool Vinimay Private Limited: 15000	0.28%
31-03-2012	Transfer	2,500	10	10	Cash	BlackPool Vinimay Private Limited	0.02%
10-12-2013	Transfer	8,060	10	10	Cash	BlackPool Vinimay Private Limited	0.06%
10-12-2015	Transfer	300	10	80	Cash	Chanda Cast Iron Industries Private Limited	Negligible
31-12-2019	Transfer	2,000	10	113	Cash	Santosh Mishra	0.02%
30-03-2024	Allotment	6,70,040	10	NA	Other than cash	N.A.	5.29%
<b>Total</b>		<b>7,17,900</b>					<b>5.67%</b>
<b>Ms. Manisha Sureka</b>							
02-07-2018	Allotment	500	10	10	Cash	N.A.	Negligible
30-03-2024	Allotment	7,000	10	NA	Other than cash	N.A.	0.06%
<b>Total</b>		<b>7,500</b>					<b>0.06%</b>

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. None of the Equity Shares held by our Promoters are under pledged.

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#### 4. Our shareholding pattern

i. The table below represents the shareholding pattern of our Company as per Regulation 31 of the SEBI (LODR) Regulations, 2015, as on the date of this Draft Red Herring Prospectus:

Category Code	Category of shareholder	No. Of share holder	No. of fully paid-up equity Shares Held	No. of Partly paid up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (unrealized as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C2)	Number of locked in Shares		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form
								No. of Voting Rights			Total as a % of (A+B+C)			No.(a)	As a % of total shares held (B)	No. (a)	As a % of total shares held (B)	
								Class X	Class Y	Total								
I	II	III	IV	V	VI	VII= IV+V+VI	VIII	IX				X	XI=VII+X	XII		XIII		XIV
(A)	Promoters and Promoter Group	10	1,26,56,175	-	-	1,26,56,175	100.00	1,26,56,175	-	1,26,56,175	100.00	-	100.00	-	-	-	-	8,43,745
(B)	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>10</b>	<b>1,26,56,175</b>	<b>-</b>	<b>-</b>	<b>1,26,56,175</b>	<b>100.00</b>	<b>1,26,56,175</b>	<b>-</b>	<b>1,26,56,175</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,43,745</b>

\*As on the date of this Draft Red Herring Prospectus 1 Equity Shares holds 1 vote.

**I. Shareholding Pattern of Promoters and Promoter Group**

#	Category & name of shareholder (I)	PAN (II)	No. of shares held (III)	No. of fully paid up equity shares held (IV)	No. of Partly paid up equity shares held (V)	No. of share under Depository (VI)	Total nos. shares held (VII)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share Capital) As a % of (A+B+C2)	Number of locked in Shares		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form	
									No. of Voting Rights					Total as a % of (A+B+C)	No. (a)	As a % of total shares held (B)	No. (a)		As a % of total shares held (B)
									Class : X	Classes : Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)+(V)+(VI)	(VIII)	(IX)			(X)	(XI)=(VII)+(X)	(XII)		(XIII)		(XIV)	
<b>(1) Indian</b>																			
(a) Individual/HUF			9																
1	Avinash Agarwal	-		8368650	-	-	8368650	66.12%	8368650	-	8368650	66.12%	-	66.12%	-	-	-	-	557910
2	Sreeti Agarwal	-		848250	-	-	848250	6.70%	848250	-	848250	6.70%	-	6.70%	-	-	-	-	56550
3	Avinash Agarwal (HUF)	-		717900	-	-	717900	5.67%	717900	-	717900	5.67%	-	5.67%	-	-	-	-	47860
4	Vijay kumar Agarwal	-		15750	-	-	15750	0.12%	15750	-	15750	0.12%	-	0.12%	-	-	-	-	1050
5	Shyama Agarwal	-		37500	-	-	37500	0.30%	37500	-	37500	0.30%	-	0.30%	-	-	-	-	2500
6	Priyanka Jalan	-		28500	-	-	28500	0.23%	28500	-	28500	0.23%	-	0.23%	-	-	-	-	1900
7	Manisha Sureka	-		7500	-	-	7500	0.06%	7500	-	7500	0.06%	-	0.06%	-	-	-	-	500
8	Vijay Kumar Agarwal HUF	-		1582125	-	-	1582125	12.50%	1582125	-	1582125	12.50%	-	12.50%	-	-	-	-	105475
(b) Cen. Govt./ State Government(s)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) Financial Institutions/Banks		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d) Any other (Body Corporate)			1																
	Anukaaran Suppliers Private Limited			1050000	-	-	1050000	8.30%	1050000	-	1050000	8.30%	-	8.30%	-	-	-	-	70000
	<b>Sub- total (A) (1)</b>	-	<b>10</b>	<b>12656175</b>	-	-	<b>12656175</b>	<b>100.00</b>	<b>12656175</b>	-	<b>12656175</b>	<b>100.00</b>	-	<b>100.00</b>	-	-	-	-	<b>8,43,745</b>
<b>(2) Foreign</b>																			
(a) Individual (NRI/ Foreign Individual)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b) Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c) Institutions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d) Foreign Portfolio Investor		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f) Any Other(specify)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

<b>Sub- Total(A) (2)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Shareholding of Promoters and Promoter Group (A)=(A)(1) +(A)(2)</b>	<b>10</b>	<b>12656175</b>	-	-	<b>12656175</b>	<b>100.00</b>	<b>12656175</b>	-	<b>12656175</b>	<b>100.00</b>	-	<b>100.00</b>	-	-	-	-	-	<b>8,43,745</b>

*This space has been left blank intentionally.*

## II. Shareholding Pattern of the Public shareholder

#	Category & name of shareholder	P A N	No. of share holders	No. of fully paid up equity shares held	No. of Partly paid up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held (VII)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities ( as a percentage of diluted share Capital) As a % of (A+B+C 2)	Number of locked in Shares		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form	
									No. of Voting Rights					Total as a % of (A+B+C)	No. (a)	As a % of total shares held (B)	No. (a)		As a % of total shares held (B)
									Class : X	Class : Y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(IV)+(V)+(VI)	(VIII)	(IX)			(X)	(XI)=(V/II)+(X)	(XII)		(XIII)		(XIV)		
(1)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(c)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(e)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(f)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(g)	Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(h)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(i)	Any other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Sub-Total (B)(1)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(2)	Central Government/State Government (s)/ President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Sub-Total (B) (2)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(3)	Non- Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Individuals-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(a)	i. Individual shareholders holding nominal share capital up to Rs. 2 lakh.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	ii. Individual shareholders holding nominal share capital in excess of Rs.2 lakh	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(b)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(c)	Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(d)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(e)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Sub-Total (B)(3)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	<b>Total Public Shareholding (B)-(B)(1)+(B)(2)+(B)(3)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

### III. Shareholding pattern of the Non Promoter- Non Public shareholder

#	Category & name of shareholder	P A N	No. of shareholders	No. of full y paid up equity shares held	No. of Partly paid up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+ C2)	Number of Voting Rights held in each class of securities				No. of Shares Under lying Outstanding convertible securities (including Warrants)	Total Shareholding, as a % assuming full conversion of convertible securities ( as a percentage of diluted share Capital) As a % of (A+B+C 2)	Number of locked in Shares		Number of Shares pledged or otherwise encumbered		Number of shares held in dematerialized form
									No. of Voting Rights			Total as a % of Total Voting rights			No. (a)	As a % of total shares held (B)	No. (Not Applicable)	As a % of total shares held (Not Applicable)	
									Class : X	Class : Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)= (IV)+(V) +(VI)	(VIII)	(IX)				(X)	(XI)=(V II)+(X)	(XII)		(XIII)		(XIV)
(1)	Custodian /DR Holder	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Name of DR Holder (if applicable)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Employee Benefit Trust (Under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total Non- Promoter – Non Public Shareholding I=I(1)+I(2)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

- Note:**
- In terms of SEBI circular bearing No. CIR/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing No. SEBI/CIR/ISD/ 05 /2011, dated September 30, 2011, the Equity Shares held by the Promoters/Promoters Group Entities and 50% of the Equity Shares held by the public shareholders, shall be dematerialized. The Corporate action for the bonus issue is pending for dematerialization of shares, and we confirm to do it before filling of Red Herring Prospectus.
  - PAN of the Shareholders will be provided by our Company prior to Listing of Equity Share on the Stock Exchange.
  - Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI (LODR) Regulations, 2015, one day prior to the listing of the equity shares. The shareholding pattern will be uploaded on the website of NSE Emerge before commencement of trading of such Equity Shares.

5. As on the date of this Draft Red Herring Prospectus, there are no partly paid-up shares/outstanding convertible securities/warrants in our Company.
6. Following are the details of the holding of securities of persons belonging to the category “Promoter and Promoter Group” and “public” before and after the Issue:

S. No.	Name of shareholder	Pre issue		Post issue	
		No. of equity Shares	As a % of Issued Capital	No. of equity shares	As a % of Issued Capital
<b>Promoters</b>					
1.	Avinash Agarwal	83,68,650	66.12%	83,68,650	48.60%
2.	Sreeti Agarwal	8,48,250	6.70%	8,48,250	4.93%
3.	Avinash Agarwal (HUF)	7,17,900	5.67%	7,17,900	4.17%
4.	Manisha Sureka	7,500	0.06%	7,500	0.04%
<b>Total – A</b>		<b>99,42,300</b>	<b>78.56%</b>	<b>99,42,300</b>	<b>57.74%</b>
<b>Promoter Group</b>					
5.	Vijay kumar Agarwal	15,750	0.12%	15,750	0.09%
6.	Shyama Agarwal	37,500	0.30%	37,500	0.22%
7.	Priyanka Jalan	28,500	0.23%	28,500	0.17%
8.	Anukaaran Suppliers Private Limited	10,50,000	8.30%	10,50,000	6.10%
9.	Vijay kumar Agarwal HUF	15,82,125	12.50%	15,82,125	9.19%
<b>Total – B</b>		<b>27,13,875</b>	<b>21.44%</b>	<b>27,13,875</b>	<b>15.76%</b>
<b>Public</b>					
10.	Public	-	-	-	-
11.	IPO	-	-	45,64,000	26.50%
<b>Total-C</b>		-	-	<b>45,64,000</b>	<b>26.50%</b>
<b>Grand Total (A+B+C)</b>		<b>1,26,56,175</b>	<b>100.00%</b>	<b>1,72,20,175</b>	<b>100.00%</b>

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

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Avinash Agarwal	83,68,650	2.43
Sreeti Agarwal	8,48,250	7.33
Manisha Sureka	7,500	0.67
Avinash Agarwal (HUF)	7,17,900	0.98

As certified by M/s Maroti & Associates, Chartered Accountants, dated April 18, 2024.

8. Details of Major Shareholders:

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

S. No.	Name of shareholders	No. of Equity Shares held*	% of Paid up Capital**
1.	Avinash Agarwal	83,68,650	66.12%
2.	Vijay kumar Agarwal HUF	15,82,125	12.50%
3.	Anukaaran Suppliers Private Limited	10,50,000	8.30%
4.	Sreeti Agarwal	8,48,250	6.70%
5.	Avinash Agarwal (HUF)	7,17,900	5.67%
<b>Total</b>		<b>1,25,66,925</b>	<b>99.29%</b>

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

S. No.	Name of shareholders	No. of Equity Shares held*	% of Paid up Capital**
1.	Avinash Agarwal	83,68,650	66.12%
2.	Vijay kumar Agarwal HUF	15,82,125	12.50%
3.	Anukaaran Suppliers Private Limited	10,50,000	8.30%
4.	Sreeti Agarwal	8,48,250	6.70%
5.	Avinash Agarwal (HUF)	7,17,900	5.67%
	<b>Total</b>	<b>1,25,66,925</b>	<b>99.29%</b>

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

S. No.	Name of shareholders	No. of Equity Shares held*	% of Paid up Capital**
1.	Avinash Agarwal	3,97,150	47.08%
2.	Vijay Kumar Agarwal	1,29,060	15.30%
3.	Vijay Kumar Agarwal (HUF)	1,05,475	12.50%
4.	Anukaran Suppliers Pvt. Ltd.	70,000	8.30%
5.	Sreeti Agarwal	55,500	6.58%
6.	Avinash Agarwal (HUF)	47,860	5.67%
7.	Shyama Agarwal	28,000	3.32%
	<b>Total</b>	<b>8,33,045</b>	<b>98.73%</b>

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

S. No.	Name of shareholders	No. of Equity Shares held*	% of Paid up Capital**
1.	Avinash Agarwal	3,97,150	47.08%
2.	Vijay Kumar Agarwal	1,29,060	15.30%
3.	Vijay Kumar Agarwal (HUF)	1,05,475	12.50%
4.	Anukaran Suppliers Pvt. Ltd.	70,000	8.30%
5.	Sreeti Agarwal	55,500	6.58%
6.	Avinash Agarwal (HUF)	47,860	5.67%
7.	Shyama Agarwal	28,000	3.32%
	<b>Total</b>	<b>8,33,045</b>	<b>98.73%</b>

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

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

9. Our Company has not issued any Equity Shares out of revaluation reserve or reserves without accrual of cash resources.
10. Except as disclosed in this Draft Red Herring Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six (6) months from the date of opening of

the Issue, by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise. However, during such period or a later date, it may issue Equity Shares or securities linked to Equity Shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

11. We have 09 shareholders as on the date of filing of this Draft Red Herring Prospectus.
12. As on the date of this Draft Red Herring Prospectus, our Promoters and Promoters' Group holds total 1,26,56,175 Equity Shares representing 100.00% of the pre-issue paid up share capital of our Company.
13. None of our Promoters, their relatives and associates, persons in Promoter Group or the directors of the Company which is a promoter of the Company and/or the Directors of the Company have purchased or sold any securities of our Company during the past six months immediately preceding the date of filing this Draft Red Herring Prospectus.
14. The members of the Promoters Group, our Directors and the relatives of our Directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months immediately preceding the date of filing this Draft Red Herring Prospectus.

**15. Details of Promoter's Contribution locked in for 3 years:**

As per Sub-Regulation (1) of Regulation 236 of the SEBI (ICDR) Regulations, 2018, an aggregate of 20% of the post-Issue Capital shall be considered as Promoter's Contribution.

Our Promoters have granted consent to include such number of Equity Shares held by them as may constitute 20.00% of the post-issue Equity Share Capital of our Company as Promoters Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution from the date of filing of this Draft Red Herring Prospectus until the completion of the lock-in period specified above.

In terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations, 2018, *Minimum Promoters Contribution as mentioned above shall be locked-in for a period of 3 years from the date of commencement of commercial production or date of allotment in the Initial Public Offer, whichever is later.*

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

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

The Minimum Promoters Contribution has been brought into to the extent of not less than the specified minimum lot and has been contributed by the persons defined as Promoters under the SEBI (ICDR) Regulations, 2018.

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

The details of the Equity Shares held by our Promoters, which are locked in for a period of 3 years from the date of Allotment in the Offer are given below:

Name of Promoter	Date of Transaction and when made fully paid-up	Nature of Transaction	No. of Equity Shares	Face Value (Rs.)	Issue/ Acquisition Price per Equity Share (Rs.)	Percentage of post-Offer paid-up capital (%)	Lock in Period
Avinash Agarwal	[●]	[●]	[●]	[●]	[●]	[●]	[●]

The Equity Shares that are being locked in are not ineligible for computation of Promoters contribution in terms of Regulation 237 of the SEBI ICDR Regulations. Equity Shares offered by the Promoters for the minimum Promoters contribution are not subject to pledge. Lock-in period shall commence from the date of allotment of Equity Shares in the Public Issue.

We confirm that the minimum Promoters contribution of 20.00% which is subject to lock-in for 3 years does not consist of:

- Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets;
- Equity Shares acquired during the preceding three years resulting from a bonus issue by utilization of revaluation reserves or Unrealised profits of the issuer or from bonus issue against equity shares which are ineligible for minimum Promoters contribution;
- Equity Shares acquired by Promoters during the preceding one year at a price lower than the Issue Price;
- The Equity Shares held by the Promoters and offered for minimum 20% Promoters Contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters Contribution subject to lock-in.

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription “Non-Transferable” and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock in is recorded by the Depository.

### **Equity Shares locked-in for one year**

In addition to above Equity Shares that are locked-in for three years as the minimum Promoters’ contribution, the promoters and public pre-issue shareholding of Equity Share capital of our Company, *i.e.* [●] Equity Shares shall be locked in for a period of one year from the date of Allotment in the Public Issue. Further, such lock-in of the Equity Shares would be created as per the bye laws of the Depositories.

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

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018, the locked-in Equity Shares held by our Promoters can be pledged only with any scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, subject to the following:

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

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

### Transferability of Locked in Equity Shares:

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

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

16. Our Company, our Promoters, our Directors and the BRLM to this Offer have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares from any person.

17. Our Company has not issued shares for consideration other than cash or out of revaluation of reserves, including Bonus Shares, at any point of time since Incorporation except the following:

S. No.	Name of Allottees	No. of Shares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Date of Allotment	Reason for Allotment	Benefit occurred to Issuer
1.	Avinash Agarwal	78,10,740	10	Nil		Bonus Issue	Capitalization of Reserve
2.	Vijay kumar Agarwal	14,700	10	Nil			
3.	Shyama Agarwal	35,000	10	Nil			
4.	Sreeti Agarwal	7,91,700	10	Nil			
5.	Priyanka Jalan	26,600	10	Nil			
6.	Manisha Sureka	7,000	10	Nil			
7.	Anukaaran Suppliers Private Limited	9,80,000	10	Nil			
8.	Vijay kumar Agarwal HUF	14,76,650	10	Nil			
9.	Avinash Agarwal HUF	6,70,040	10	Nil			
<b>Total</b>		<b>1,18,12,430</b>					

18. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 230 to 234 of the Companies Act, 2013.

19. Our Company has re-valued one of its assets in the year 2018. However, the company has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves. For more details, please refer to the chapter "financial statements as restated" on the page 196 of this Draft Red Herring Prospectus.

20. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees, and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.

21. There are no safety net arrangements for this public Offer.
22. As on the date of filing of this Draft Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
23. As per Regulation 268(2) of SEBI (ICDR) Regulations, 2018, an over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off while finalizing the basis of allotment to the nearest integer during finalizing the allotment, subject to minimum allotment lot. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased to ensure that 20% of the post issue paid-up capital is locked-in.
24. All the Equity Shares of our Company are fully paid up as on the date of this Draft Red Herring Prospectus. Further, since the entire money in respect of the Offer is being called on application, all the successful applicants will be allotted fully paid-up equity shares.
25. As per RBI regulations, OCBs are not allowed to participate in this Issue.
26. There is no Buyback, stand by, or similar arrangement by our Company/Promoters/Directors/BRLM for purchase of Equity Shares issued / offered through this Draft Red Herring Prospectus.
27. As on the date of this Draft Red Herring Prospectus, none of the shares held by our Promoters/ Promoter Group are pledged with any financial institutions or banks or any third party as security for repayment of loans.
28. Investors may note that in case of over-subscription, the allocation in the Issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, as amended from time to time.
29. Under subscription, if any, in any category, shall be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the BRLM and NSE.
30. The Issue is being made through Book Building Method.
31. BRLM to the Issue viz. Narnolia Financial Services Limited and its associates do not hold any Equity Shares of our Company.
32. Our Company has not raised any bridge loan against the proceeds of this Issue.
33. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
34. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
35. An Applicant cannot make an application for more than the number of Equity Shares being Issued/Offered through this Draft Red Herring Prospectus, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
36. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Offer.
37. Our Promoters and the members of our Promoter Group will not participate in this Issue.
38. Our Company has not made any public issue since its incorporation.

39. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Draft Red Herring Prospectus and the Offer Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
40. For the details of transactions by our Company with our Promoter Group, Group Companies during the period ended December 31, 2023 and financial years ended on March 31, 2023, March 31, 2022 & March 31 2021 Fiscals, please refer to paragraph titled *-Related Party Transaction* in the chapter titled *"Financial Information"* beginning on page number 196 of this Draft Red Herring Prospectus.

None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled *"Our Management"* beginning on page number 165 of this Draft Red Herring Prospectus.

*This space has been left blank intentionally.*

## OBJECTS OF THE ISSUE

Our Company proposes to utilize the funds which are being raised towards funding the following objects and achieve the benefits of listing on the Emerge Platform of NSE.

### The objects of the Issue are:-

1. To meet out the Capital Expenditure Requirement of Company;
2. To meet out the Working Capital requirements of the Company;
3. To meet out the General Corporate Purposes; and
4. To meet out the Issue Expenses.

Our Company believes that listing will enhance our Company's corporate image, brand name and create a public market for its Equity Shares in India. The main objects clause of our Memorandum enables our Company to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

### Fund Requirements

Our funding requirements are dependent on a number of factors which may not be in the control of our management, changes in our financial condition and current commercial conditions. Such factors may entail rescheduling and / or revising the planned expenditure and funding requirement and increasing or decreasing the expenditure for a particular purpose from the planned expenditure.

We intend to utilize the proceeds of the Fresh Issue, in the manner set forth below:

S. N.	Particulars	Amount (In Lakh)	% of Gross Proceeds	% of Net Proceeds
1.	Capital Expenditure	800.00	[●]	[●]
2.	Working Capital Requirement	1,500.00	[●]	[●]
3.	General Corporate Purposes**	[●]	[●]	[●]
4.	Issue Expenses*	[●]	[●]	[●]
	<b>Total</b>	[●]	[●]	[●]

*\*As per the certificate given by Maroti & Associates, Chartered Accountants dated April 18, 2024, the Company has not incurred any issue expenses till date.*

*\*\*The amount utilized for general corporate purposes shall not exceed 25% of the gross proceeds of the Issue.*

The requirements of the objects detailed above are intended to be funded from the proceeds of the Issue. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed Issue.

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

In case of variations in the actual utilization of funds allocated 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 this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt.

We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case of any shortfall or cost overruns, we intend to meet our estimated expenditure from internal accruals and/or debt. In case of any such re-scheduling, it shall be made by compliance of the relevant provisions of the Companies Act, 2013.

## Details of Utilization of Issue Proceeds

### 1. Capital Expenditure

Out of total capital expenditures of Rs. 1,111.97 Lakhs, Our Company intends to deploy amount aggregating to Rs. 800.00 Lakhs from Net Proceeds of the Issue and Rs. 311.97 Lakhs is to be incurred by the company from its internal sources.

We intend to buy following under the capital expenditures:

S.no.	Particulars	Quantity	Amount (in Thousands)
1.	Expansion of the existing manufacturing facility	Refer the list given below	66,147.66
2.	Solar Installation over roof	150 Kw	6,300.00
3.	Purchase of Machineries	Refer the list given below	38,750.00
<b>Total</b>			<b>1,11,197.66</b>

### 1. Expansion of the existing Manufacturing Facility

The Company is proposed to expand its existing Manufacturing Facility located at Plot No. 3108, Hanuman Complex, Ranihati Amta Road, PO- Islampur, Howrah- 711401 by construction of the building on the land adjacent to our existing manufacturing unit, amounting to Rs. 66,147.66 thousands.

The bifurcation of deployment of fund under the expansion of manufacturing facilities are as follows:

#### a. Sub-Structure, Super structure, Flooring, and Landscaping and Exterior Features

S. N.	Particulars	Quantity	Unit	Rate (Per Unit) (in rupees)	Amount (in thousands)
<b>Sub-Structure</b>					
1.	Proposed construction of factory shed including cost of earth work in excavation in foundation trenches, sand filling, P.C.C 1:3:6, R.C.C 1:1.5:3 in Columns, Tie Beams 2 nos. of size 250x400mm at E.G.L & 250x300mm at Plinth Level with necessary Vindrill coloumns of size 250x250x1100mm @ 1200 C/C & 250mm th. Brick work in foundation with cement mortar 1:6 upto height of 1100mm including cost of centering & shuttering,	30,000	Sqft	245/-	7,350.00

	Reinforcement complete with all materials, labours up to plinth level. (Depth of foundation from E.G.L to bottom of foundation + E.G.L to P.G.L 1200mm +E.G.L to P.L 600mm =3300mm.				
2.	Providing fitting & fixing 0.45mm thick (TATA) colour coated sheet to side walling including cost of necessary MS runners of size RHS 96x48x4 mm thick & sheeting screws complete with all materials & labours.	30,000	Sqft	130/-	3,900.00
<b>Super Structure (Mild Steel Products)</b>					
3.	Providing fitting & fixing pre - fabricated structure for coloumns, roof trusses, runners etc. two coats synthetic enamel paint over a coat of steel primer complete.	1,05,000	Kg	105/-	11,025.00
4.	Providing colour coated sheet 0.45mm thick (TATA) for roofing walling including cost of sheeting screws complete.	68,400	Sqft	85/-	5814.00
5.	Providing fitting & fixing ridge, valley gutter, corner, pvc rain water pipe		LS		250.00
<b>Flooring</b>					
6.	Plinth filling with filling sand including cost of watering, consolidating upto a height of 900mm	30,000	Sqft	105/-	3,150.00
7.	Plinth filling with mixed class jhama bats & consolidation with viabrator roller or fokland upto height of 1100mm.	30,000	Sqft	145/-	4,350.00
8.	120mm th. R.C.C1:1.5:3 flooring with main bar 10mm tor @150 C/C @ 8mm tor distributor @200C/C including cost of VDF finished.	49,000	Sqft	185/-	9,065.00
<b>Landscaping and Exterior Features</b>					
9.	Road pavement with 100mm th. Zic zack CC paverblock over avj. 80mm th sand filling	28,000	Sqft	130/-	3,640.00
10.	Providing 300mm dia R.C.C 1:1.5:3 pile with 8 nos. 12mm dia rod & 6mm dia binder @ 150 c/c including cost of boring with all materials & labours	4,526	Ft	800/-	3,620.80
11.	Construction of boundary wall on 300 mm dia R.C.C pipe with a base of R.C.C foundation of size 1200x1200mm, 2nos tie beam of sizse 250/300mm/250/250mm at existing G.L. and top of P.L, 250 mm th. Brick wall with cement mortar 1:6 upto a height of 700mm from top of tie beam at EGL to bottom of P.L tie beam , 125 mm thick brick work with cement mortar 1:4 upto a height of 2700mm to bottom of 250/100mm R.C.C band, 250/250 R.C.C coloumns @ 3000mm c/c including cost of plastering with cement mortar 1:6/1:3 in	11,310	Ft	350/-	3,958.50

	case of all exposed surface of brick work & R.C.C with all materials & labours				
12.	Providing main gate coloumns foundation with 2 nos. R.C.C coloumns of base size 1500x1500, shaft size 400x400mm, tie beams 2nos. Of size 250x400mm/250x300mm at E.G.L & P.G.L including cost of 250mm th brick work with cement mortar 1:6 upto a height of 750mm including cost of plastering with cement mortar 1:4 to all exposed surface of brick work & R.C.C.	04	Nos	70,000/-	280.00
13.	Construction of open surface drain with both side brick walls 125mm/250mm th. With cement mortar 1:4 over B.F.S, 100 mm th P.C.C 1:1.5:3, 40 mm th. P.C.C floor to bottom & all exposed surface finished with cement mortar 1:3 including a coat of net cement punning for drainage system around factory shed	1,000	Rft	750/-	750.00
14.	Supplying fitting & fixing M.S Gate with M.S flat , M.S angle, 3mm thick G.I sheet including cost of 2 coats synthetic enamel paint over a coat of primer with all materials & labours, (02x20'-0" x8'-0"=320sft)	320	Sqft	950/-	304.00
15.	Colour coated sheet roofing on MS structure for cycle parking shed	02	Nos	80,000/-	160.00
<b>Total</b>					<b>57,617.30</b>

**Quotation:**

We have received a quotation from M/s Hindustan Enterprises dated April 25, 2024 for the above listed works and items amounting to Rs. 57,617.30 thousand (exclusive of GST). This quotation is valid as on date of this Draft Red Herring Prospectus.

**b. Doors, Windows & Glazing**

S. N.	Particulars	Quantity	Unit	Rate (Per Unit) (in rupees)	Amount (in thousands)
<b>Doors, Windows &amp; Glazing</b>					
1.	Rolling Shutter Door	3,000	Sqft	400/-	1200.00
2.	Glass Partitions & Door (office workspace)	10,000	Sqft	61.50/-	615.00
3.	PVC Door (toilet, kitchen)	24	Nos	6,000/-	144.00
4.	Wooden Door (Staff quarter)	08	Nos	10,000/-	80.00
5.	Loading Bay Door	720	Sqft	400/-	288.00
6.	Windows	20	Nos	10,000/-	200.00
7.	Skylights	10	Nos	5,000/-	50.00
<b>Total</b>					<b>2,577.00</b>

**Quotation:**

We have received a quotation from M/s Aditya Engineering Work, Jalalgarh dated April 30, 2024 for the above listed works and items amounting to Rs. 2,577.00 thousand (inclusive of GST). This quotation is valid as on date of this Draft Red Herring Prospectus.

**c. High Voltage A.C. and Electrical system and Components**

S. N.	Particulars	Quantity	Unit	Rate (Per Unit) (in rupees)	Amount (in thousands)
<b>High Voltage A.C.</b>					
1.	1.5 tonn Inverter AC Units	10	Nos	52,500/-	525.00
2.	Axial Flow Fans	20	Nos	13,700/-	274.00
<b>Electrical System &amp; Components</b>					
3.	Electrical wiring	500	Rm	1,950/-	975.00
4.	Circuit breakers and panels (440 volt)	01	Nos	7,80,000/-	780.00
5.	Lighting fixtures- for general use	40	Nos	2,470/-	98.80
6.	High-bay lights for warehouse spaces	12	Nos	1,430/-	17.16
7.	Electrical outlets and switches	100	Points	335/-	33.50
8.	Earthing & Earthing Pit	05	Nos	3,150/-	15.75
9.	Standing fans	07	Nos	9,200/-	64.40
10.	Yard & Perimeter lighting	60	Nos	7,350/-	441.00
11.	Ceiling Fans	07	Nos	4,350/-	30.45
<b>Total</b>					<b>3,255.06</b>

**Quotation:**

We have received a quotation from M/s Ashok Electric, Kolkata dated April 24, 2024 for the above listed works amounting to Rs. 3,255.06 thousand (exclusive of GST). This quotation is valid as on date of this Draft Red Herring Prospectus.

**d. Curing Room for Glazing (PUF Panel Room)**

S. No.	Particulars	Quantity	Unit	Rate (Per Unit) (in rupees)	Amount (in thousands)
<b>Curing Room for Glazing</b>					
1.	60 MM Wall & Ceiling Puf Panel	1110	M2	1700/-	1887.00
2.	Accessories	-	-	-	395.00
3.	Double Leaf PUF Door (2400 X 2250)	2	Nos	30000/-	66.00
4.	Erection Charge				350.00
<b>Total</b>					<b>2,698.00</b>

**Quotation:**

We have received a quotation from M/s Unifix Plast Private Limited dated April 25, 2024 for the above listed works and items amounting to Rs. 2,698.00 thousand (exclusive of GST). This quotation is valid as on date of this Draft Red Herring Prospectus.

**2. Solar Installation over roof**

Our company intends to utilize Rs. 6,300.00 thousand towards the installation of Solar over the roof.

**Quotation:**

We have received a quotation from Samvik Power Private Limited dated April 26, 2024 for installation of 150 Kw Solar Power System including Solar Panel, Lighting, Earthing Cable, DC Solar Cable, Module Mounting Structure, and other Miscellaneous items amounting to Rs. 6,300.00 thousand (exclusive of GST). This quotation is valid as on date of this Draft Red Herring Prospectus.

### 3. Purchase of Plant and Machineries

Our Company proposed to purchase certain plants and machinery for a value of Rs. 38,750.00 thousand. The list of plant and machinery proposed to be acquired along with details of quotations are set forth below:

S. N.	Particulars	Quantity	Unit	Rate (Per Unit) (in rupees)	Amount (in thousands)
1.	Solar PV Aluminium Framework Processing Line	01	Nos	1,90,00,000/-	19,000.00
2.	Solar Mounting Clamps Punching and Cutting Machine	01	Nos	15,00,000/-	1,500.00
3.	15 Axis CNC Machining Center	01	Nos	75,00,000/-	2,500.00
4.	Spindle Machine	01	Nos	68,00,000/-	6,800.00
<b>Total</b>					<b>29,800.00*</b>
5.	Craddle/ Gandola	10	Nos	1,90,000/-	1,950.00**
6.	Electric Scissor Lift	02	Nos	35,00,000/-	7,000.00**

#### Quotations:

\*For machinery no. 1 to 4, We have received a quotation from M/s Jnan Demac Machine Co., Ltd., China dated April 23, 2024 for the above listed machineries for the Solar PV Aluminium Frame Solutions, amounting to Rs. 29,800.00 thousand (exclusive of taxes and other charges). This quotation is valid as on date of this Draft Red Herring Prospectus.

\*\*For machinery no. 5, We have received a quotation from M/s Lokpal Industries, Noida, Uttar Pradesh dated April 27, 2024 for the Craddle System/ Gandola Machine, amounting to Rs. 1,950.00 thousand (exclusive of GST and freight). This quotation is valid as on date of this Draft Red Herring Prospectus.

\*\*\*For machinery no. 6, We have received a quotation from M/s Manlift Middle East LLC, Dubai dated April 24, 2024 for the Electric Scissor Lift, amounting to Rs. 7,000.00 thousand. This quotation is valid as on date of this Draft Red Herring Prospectus.

### 2. Working Capital Requirements:

Our Company proposes to utilise Rs. 1,500.00 Lakhs towards funding its working capital requirements in the ordinary course of business. We have significant working capital requirements, and in the ordinary course of business, we fund our working capital needs through internal accruals. Our Company, in order to support its incremental business requirements, funding growth opportunities and for other strategic, business, and corporate purposes requires additional working capital and such funding is expected to lead to a consequent increase in our revenues and profitability.

#### **Basis of Estimation**

The projections of the working capital requirements for the financial years ending on March 31, 2025 and March 31, 2026, have been prepared based on the management estimates of future financial performance. The projection has been prepared using a set of assumptions that include assumptions about future events and management's actions that are not necessarily expected to occur. On the basis of existing and estimated working capital requirement of our Company on standalone basis, and assumptions for such working capital requirements. The proposed funding of such working capital requirements as set forth below:

(Amount in Thousands)

Particulars	March 31, 2021	March 31, 2022	March 31, 2023	Stub Dec 31, 2023	March 31, 2024	March 31, 2025	March 31, 2026
	(A)	(A)	(A)	(A)	(Provisional)	(Projected)	(Projected)
<b>Current Assets</b>							
Inventory	37,218	42,894	48,364	71,695	1,13,469	1,45,562	1,81,953
Trade Receivables	39,241	69,850	72,339	1,52,736	77,865	1,03,973	1,29,966
Other Current Assets	4,902	18,393	20,568	40,894	46,311	58,225	72,781
Cash & Cash Equivalent	29,965	3,043	2,609	10,133	13,462	39,749	49,801
<b>Total</b>	<b>1,11,326</b>	<b>1,34,181</b>	<b>1,43,880</b>	<b>2,75,458</b>	<b>2,51,109</b>	<b>3,47,509</b>	<b>4,34,501</b>
<b>Current Liabilities</b>							
Short Term Borrowings	7,938	7,917	45,122	14,558	40,707	49,856	62,066
Trade Payables	13,274	45,436	44,321	90,121	50,085	71,223	88,666
Other Current Liabilities	24,538	53,987	40,951	34,955	42,053	62,320	77,583
Short Term Provisions	751	867	1,316	8,112	1,610	2,175	2,781
<b>Total</b>	<b>46,501</b>	<b>1,08,207</b>	<b>1,31,710</b>	<b>1,47,745</b>	<b>1,34,455</b>	<b>1,85,575</b>	<b>2,31,096</b>
<b>WC Requirement</b>	<b>64,825</b>	<b>25,974</b>	<b>12,170</b>	<b>1,27,713</b>	<b>1,16,654</b>	<b>1,61,935</b>	<b>2,03,406</b>
<b>Internal Accruals**</b>	<b>64,825</b>	<b>25,974</b>	<b>12,170</b>	<b>1,27,713</b>	<b>1,16,654</b>	<b>61,935</b>	<b>1,53,406</b>
<b>IPO Proceeds</b>		-	-	-	-	<b>1,00,000</b>	<b>50,000</b>

**\*\*Internal Accruals include funds raised cash accruals for the year and short-term debt, if any.**

**Key Assumptions for working capital projections made by Company:**

(in days)

Particulars	2020-21	2021-22	2022-23	31-12-2023	2023-24	2024-25	2024-26
No. of Days for Trade Payables	(38)	(67)	(43)	(60)	(34)	(40)	(40)
No. of Days for Trade Receivables	104	98	65	89	47	50	50
No. of Days for Inventory Days	100	61	44	42	68	70	70
Working Capital Days	166	92	67	70	81	80	80
Working Capital ratio	2.39	1.24	1.09	1.86	1.87	1.87	1.88

The total working capital requirements for the FY 2020-21 & FY 2021-22 was Rs. 64,825 Thousands & Rs. 25,974 Thousands respectively. The same had decreased to Rs. 12,170 Thousands in FY 2022-23. The amount of Working Capital Requirement in Stub Period ending 31st December 2023 stood at Rs. 1,27,713 Thousands.

For the estimated period of FY 2023-24, the working capital requirement is Rs. 1,16,654 Thousands & projected that for FY 2024-25 it shall be Rs. 1,61,935 Thousands. For FY 2024-25, Rs. 1,00,000 Thousands shall be sourced through IPO proceeds for funding the Working Capital & the balance amount will be sourced from internal accruals and borrowings.

And for the projected period for FY 2025-26 working capital requirement shall be Rs. 2,03,406 Thousands, Rs. 50,000 shall be sourced through IPO Proceeds and the balance amount will be sourced internal accruals from profits and borrowings.

**Justification:**

**Current Assets**

**Inventory**

Particulars	UOM	March 31, 2021 (A)	March 31, 2022 (A)	March 31, 2023 (A)	Stub Dec 31, 2023 (A)	March 31, 2024 (P)*	March 31, 2025 (P)	March 31, 2026 (P)
Inventory	Rs. Thousands	37,218	42,894	48,364	71,695	1,13,469	1,45,562	1,81,953
<b>Change in Amount</b>	<b>Rs. Thousands</b>	-	5,676	5,470	23,331	41,774	32,093	36,391
Inventory	Days	100	61	44	42	68	70	70
<b>Change in Days</b>	<b>Days</b>	-	(39)	(17)	(2)	+26	+2	-

*\*Provisional*

The Inventory for FY 2021 stands at Rs. 37,218 Thousands and same has increase to Rs. 42,894 Thousands in FY 2022. For the same period, Inventory Days have also reduced from 100 days in FY 2021 to 61 Days in FY 2022. Considering the same for FY 2023, the inventory amount stands at Rs. 48,364 Thousands which stands at 44 days. For stub period 31st December 2023, the inventory amount stands at Rs. 71,695 Thousands with inventory days standing at 42 Days.

During the audited period FY 2021 till stub period 31st December 2023, the inventory has stayed at reducing range. But the same is expected to increase in FY 2024 , FY 2025 & same in FY 2026. As it is expected the company plans to repay its payables earlier than before even with growth in these years, the inventory level will also increase to meet the daily demand of its ongoing projects. Also, company expects to maintain an inventory level of 40-75 days for the estimated and projected period. This would amount to Rs. 1,13,269 Thousands in FY 2024 , Rs. 1,45,562 Thousands in FY 2025 and Rs. 1,81,953 Thousands in FY 2026.

**Trade Receivables**

Particulars	UOM	March 31, 2021 (A)	March 31, 2022 (A)	March 31, 2023 (A)	Stub Dec 31, 2023 (A)	March 31, 2024 (P)*	March 31, 2025 (P)	March 31, 2026 (P)
Trade Receivable	Rs. Thousands	39,241	69,850	72,339	1,52,736	77,865	1,03,973	1,29,966
<b>Change in Amount</b>	<b>Rs. Thousands</b>	-	30,610	2,489	80,397	(74,871)	26,108	25,993

Trade Receivable	Days	104	98	65	89	47	50	50
<b>Change in Days</b>	<b>Days</b>	-	(6)	(33)	+23	(42)	+3	-

*\*Provisional*

The numbers in the data show that in 2021, the company took almost 104 days to collect money owed to them, but in 2022, they improved and collected it faster with debtor days reduced to 98 days. Even though the receivables were Rs. 39,241 Thousands for FY 2021 and Rs. 69,850 Thousands for FY 2022, Debtor days have reduced by 6 days. This illustrates that the company's revenue increased for FY 2022 over FY 2021.

For FY 2023, the company's receivable days have further decreased to 65 days. The amount outstanding for FY 2023 stands at Rs. 72,339 Thousands. This shows that the company's recovery in receivable in comparison for FY 2022 have increased. Company's revenue for the period i.e. FY 2023 has also increased in comparison to FY 2022 and outstanding amount has increased showing that recovery in FY 2023 was in line with company's recovery days in the past.

It could be seen in the stub period ending 31<sup>st</sup> December 2023, that the amount of receivable has increased to Rs. 1,52,736 Thousands. The company took almost 89 days to collect money but it is between the year and company will collect the amount till the complete of the financial years. It should also be noted that the company's receivable days has reduced by almost 104 days to 89 Days. This has brought the company's receivable days in line with its receivable days trend of FY 2021 & 2022.

For estimated period of fiscal year 2024, the receivable days are expected to be 47 days showing a improvement over the stub period and inline with the company goal. The receivable outstanding for FY 2024 estimate period is estimated at Rs. 77,865 Thousands. Further for FY 2025, receivable days are expected to 50 days and outstanding amount is expected to increase to Rs. 1,03,973 Thousands. Further for FY 2026, receivable days are expected same as in the FY 2025 which is 50 days and outstanding amount is expected to increase to Rs. 1,29,996 Thousands.

The company is in the business where receivables hold an important part of the working capital. The projects are milestone based and payments are recovered based upon completion of such milestones as per project timeline. Still, company projects to bring the receivable days from 89 in stub period 31<sup>st</sup> December 2023 to 50 days in FY 2026. The increase in amount from Rs. 77,865 Thousands in FY 2024 to Rs. 1,29,996 Thousands in FY 2026 suggests overall growth of the company.

### **Other Current Assets**

Other Current Assets include Short Term Loans & Advances and Other Current Assets

Particulars	UOM	March 31, 2021 (A)	March 31, 2022 (A)	March 31, 2023 (A)	Stub Dec 31, 2023 (A)	March 31, 2024 (P)*	March 31, 2025 (P)	March 31, 2026 (P)
Other Current Assets	Rs. Thous ands	4,902	18,393	20,568	40,894	46,311	58,225	72,781
<b>Change in Amount</b>	<b>Rs. Thous ands</b>	-	+13,491	+2,175	+20,326	+5,417	+11,914	+14,556

*\*Provisional*

Other current assets include Advances to Suppliers, Employees & Imprest, Bank Deposit, Taxes Recoverable, and Other Receivables. Other current assets for FY 2021 till stub period 31st December 2023 have been on a rising trend considering the rise in business of company. This is also due to the fact that company's revenue during this audited period has increasing. The same is expected to increase in estimated and projected year because the company has plans to get the benefit of pricing and opportunity of efficient rates by making advance payments to suppliers and getting it's workflow moving on faster pace.

Bifurcation of OCA for Audited Period is as follows:

*(Amount in thousands)*

Particulars (Rs. Thousands)	March 31, 2021 (A)	March 31, 2022 (A)	March 31, 2023 (A)	Stub Dec 31, 2023 (A)
Advance to Suppliers & Imprest	76	7,602	6,390	34,262
Other Advances	762	1,735	1,730	4,698
Bank Deposit	266	-	-	-
Duties & Taxes Recoverable (TDS, TCS, GST)	2,817	7,768	10,496	-
Other Receivables	980	1,288	1,952	1,934
<b>Total</b>	<b>4,902</b>	<b>18,393</b>	<b>20,568</b>	<b>40,894</b>

The amount of Other Current assets has been increasing over the audited period from Rs. 4,902 Thousands, Rs. 18,393 Thousands, Rs. 20,568 Thousands for FY 2021, 2022 & 2023 respectively. Other current assets for stub period 31<sup>st</sup> December 2023 is Rs. 40,894 Thousands.

Looking ahead, the company is preparing for substantial growth through an Initial Public Offering (IPO) to raise capital. This IPO is expected to lead to a rise in revenue and have a parallel increase in profits. As part of this strategy, the company anticipates that its Other Current Assets will also expand.

Consequently, it is expected that the balances in Other Current Assets will be Rs. 46,311 Thousands, Rs. 58,225 Thousands and Rs. 72,781 in the fiscal years 2024, 2025, 2026 respectively.

This increase in estimated and projected period is because the company expects that upon increasing the payment of advance to vendors, suppliers or service providers to get the benefit of better pricing, early deliver of goods and better services on account of such products being bought. This would ultimately help the company to enhance its bottomline.

## **Current Liabilities**

### **Short Term Borrowings**

Particulars	UOM	March 31, 2021 (A)	March 31, 2022 (A)	March 31, 2023 (A)	Stub Dec 31, 2023 (A)	March 31, 2024 (P)*	March 31, 2025 (P)	March 31, 2026 (P)
Borrowings	Rs. Thousands	7,938	7,917	45,122	14,558	40,707	49,856	62,066
<b>Change in</b>	<b>Rs.</b>	-	(21)	37,205	(30,563)	26,149	9,149	12,210

<i>Amount</i>	<i>Thous ands</i>							
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*\*Provisional*

The company expects to keep the limits of short term borrowings at similar level for projected period as they were in audited period. The amount for short term borrowings stands at Rs. 7,938 Thousands & Rs. 7,917 Thousands in FY 2021 & FY 2022. The same stands at Rs. 45,122 Thousands in FY 2023. For the stub period 31<sup>st</sup>, Dec 2023 the amount stands at Rs. 14,558 Thousands. For estimated period FY 2024 & Projected Period FY 2025, the amount should be Rs. 40,707 Thousands, Rs. 49,856 Thousands, Rs 62,066 Thousands for FY 2024, FY 2025 and FY 2026 respectively. Thus, this states that the company will utilize its existing limits of short term borrowings to meet the short term requirement of funds.

### **Trade Payables**

<b>Particulars</b>	<b>UOM</b>	<b>March 31, 2021 (A)</b>	<b>March 31, 2022 (A)</b>	<b>March 31, 2023 (A)</b>	<b>Stub Dec 31, 2023 (A)</b>	<b>March 31, 2024 (P)*</b>	<b>March 31, 2025 (P)</b>	<b>March 31, 2026 (P)</b>
Trade Payables	Rs. Thous ands	13,274	45,436	44,321	90,121	50,085	71,223	88,666
<i>Change in Amount</i>	<i>Rs. Thous ands</i>	-	32,163	(1,115)	45,799	(40,036)	21,138	17,443
Trade Payables	Days	38	67	43	60	34	40	40
<i>Change in Days</i>	<i>Days</i>	-	+30	(25)	+18	(26)	+6	-

*\*Provisional*

The trajectory of trade payables for the company demonstrates a consistent and controlled management approach, characterized by the following justifications:

### **Amount Trends:**

- The company experienced little bit increase in trade payables from FY 2021 to FY 2022.
- The notable increase in FY 2023, amounting to Rs. 44,321 Thousands, was primarily inline with the objective of the company.
- The same increased in stub period 31<sup>st</sup> December 2023 with company increase in company's business. The company had achieved the turnover achieved in full year of FY 2023 in just 9 months of period ending 31<sup>st</sup> December 2023. This led to increase in outstanding to vendors with whom such projects were executed.
- For FY 2024, the company expects a moderate increase as company expects to make payments in advance also to its vendors and suppliers to get benefit of pricing.
- In projected year FY 2025 & FY 2026, a moderate increase is further expected considering the growth company expects to reach in the said year.

### **Days Trends:**

- The company's payable days were 38 Days in FY 2021 which were increase to 67 Days in FY 2022.

- For the FY 2023, the days decreased to 43 days i.e. a decrease of 25 Days.
- For Stub period the payable days were increased to 60 Days because the payments to vendor has done after the end of December.
- In FY 2024 the payable days are expected to be at 34 Days and For FY 2025, the payable days are expected to be at 40 Days.
- Stub period saw a temporary increase to 18 days, aligning with the elevated amount during that period.

**Analysis:**

- The significant upturn in trade payables in FY 2023 can be attributed to specific bills received in the closing quarter.
- For FY 2024 , FY 2025 & FY 2026, company expects to keep the payable days at 40 Days level and after keeping the days at such level it could be seen that the amount of trade payable increase substantially. This is clearly due to the reason of growth expected by the company in terms of revenue and profits in projected year.

In essence, the company's management of trade payables reflects a strategic and responsive approach, demonstrating an ability to navigate fluctuations and ensure financial stability.

**Other Current Liabilities (including short term provisions & Current Tax Liability)**

Particulars	UOM	March 31, 2021 (A)	March 31, 2022 (A)	March 31, 2023 (A)	Stub Dec 31, 2023 (A)	March 31, 2024 (P)	March 31, 2025 (P)	March 31, 2026 (P)
Other Current Liabilities	Rs. Thousands	24,538	53,987	40,951	34,955	42,053	62,320	77,583
Short Term Provisions	Rs. Thousands	751	867	1,316	8,112	1,610	2,175	2,781
<b>Total</b>	<b>Rs. Thousands</b>	<b>25,289</b>	<b>54,854</b>	<b>42,267</b>	<b>43,066</b>	<b>43,663</b>	<b>64,496</b>	<b>80,364</b>

*\*Provisional*

**Bifurcation of Audited Numbers:**

*(Amount in thousands)*

Other Current Liability (including short term provisions & Current Tax Liability)	March 31, 2021 (A)	March 31, 2022 (A)	March 31, 2023 (A)	Stub Dec 31, 2023 (A)
Expenses Payable	108	181	129	450
Amount Due on account of Employees	374	402	979	1,131
Govt Dues	-	-	-	1,455
TDS Payable	1,042	352	444	140
Advance from customers	17,514	27,499	22,874	28,183
Advance Receipt on Sale of Property	5,500	5,500	5,500	-
Other Payables	-	20,053	11,025	3,595
Provision for Gratuity	751	867	1,316	1,089
Provision for income tax	-	-	-	7,023
<b>Total</b>	<b>25,289</b>	<b>54,854</b>	<b>42,267</b>	<b>43,066</b>

For the FY 2021 till stub period 31<sup>st</sup> December 2023, the company's Other Current Laibilities including Short Term Provisions and Current Tax Liability are in range of Rs. 25,000 Thousands to Rs. 45,0000 Thousands. This is majorly on account of advance to customers, provision for income tax, amount due to employees and Advance Receipt on Sale of Property etc.

It is expected that for the FY 2024 , FY 2025 & FY 2026, the total amount for Other Current Liabilities shall be Rs. 43,663 Thousands, Rs. 64,496 Thousands & Rs.80,364 respectively. This is majorly due to provision for income tax as the other current liabilities stay in same range as previous years.

### **Conclusion**

- This business is characterized by a significant working capital intensity, with a major portion of funds tied up in Debtors, Inventory & Other Current Assets.
- The total working capital requirement for FY 2024, 2025 and 2026 mirrors the amount recorded during the stub period ending on December 31, 2023. This requirement is being fulfilled through internal accruals, with the remaining balance to be met through proceeds from the Initial Public Offering (IPO).

### **3. General Corporate Purpose**

Our Company intends to deploy the balance Net Proceeds aggregating Rs. [●] Lakh for General Corporate Purposes subject to such utilization not exceeding 25% of the Gross Proceeds, in compliance with the SEBI Regulations, including but not limited or restricted to, strategic initiatives, strengthening our marketing network & capability, meeting exigencies, brand building exercises in order to strengthen our operations. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for General Corporate Purposes.

### **4. Issue Related Expenses**

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs. [●] Lakhs.

*(Amount in Lakhs)*

<b>S. N.</b>	<b>Particulars</b>	<b>Amount (Rs. in Lakhs)</b>	<b>% of Total Expenses</b>
1	Book Running Lead manager(s) fees including underwriting commission.	[●]	[●]
2	Brokerage, selling commission and upload fees.	[●]	[●]
3	Registrars to the issue	[●]	[●]
4	Legal Advisors	[●]	[●]
5	Printing, advertising and marketing expenses	[●]	[●]
6	Regulators including stock exchanges	[●]	[●]
7	Others, if any (Advisors to the company, Peer Review Auditors, and other misc. expenses like printing & stationery etc.)	[●]	[●]
<b>Total</b>		[●]	[●]

## MEANS OF FINANCE

(Amount in Lakhs)

Particulars	Estimated Amount
IPO Proceed	[•]

### APPRAISAL BY APPRAISING AGENCY

The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

### SCHEDULE OF IMPLEMENTATION

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

(Amount in Lakhs)

S. No.	Particulars	Amount to be funded from Net Proceeds	Expenses incurred till April 18, 2024	Estimated Utilisation of Net Proceeds (F.Y. 2024-25)	Estimated Utilisation of Net Proceeds (F.Y. 2025-26)
1.	Capital Expenditures	800.00	[•]	800.00	-
2.	Working Capital Requirement	1,500.00	[•]	1,000.00	500.00
3.	General Corporate Purposes	[•]	[•]	[•]	[•]
	<b>Total</b>	[•]	[•]	[•]	[•]

Note: The figures are indicative only, it may vary. The final figures will be given in RHP.

To the extent our Company is unable to utilise any portion of the Net Proceeds towards the Objects, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the Objects.

### DEPLOYMENT OF FUNDS

The Company has received the Sources and Deployment Funds Certificate dated April 18, 2024 from M/s Maroti & Associates, Chartered Accountants. The certificate states that the Company has not incurred any amount toward issue expense till date.

### INTERIM USE OF FUNDS

Pending utilization for the purposes described above, our Company intends to invest the funds in with scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934. Our management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Net Proceeds. Further, our Board of Directors hereby undertake that full recovery of the said interim investments shall be made without any sort of delay as and when need arises for utilization of process for the objects of the issue.

### BRIDGE FINANCING FACILITIES

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds. However, depending on business exigencies, our Company may consider raising bridge financing for the Net Proceeds for Object of the Issue.

## **MONITORING UTILIZATION OF FUNDS**

As the Net Proceeds of the Issue will be less than Rs. 10,000 Lakh, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency. Our Board and the management will monitor the utilization of the Net Proceeds through its audit committee. Pursuant to Regulation 32 of the SEBI (Listing Obligation and Disclosures Requirements) Regulations 2015, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company. No part of the Issue Proceeds will be paid by our Company as consideration to our Promoter, our Directors, Key Management Personnel or companies promoted by the Promoter, except as may be required in the usual course of business.

## **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 authorised to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the Postal Ballot Notice) shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

## **OTHER CONFIRMATIONS**

No part of the issue proceeds will be paid as consideration to promoters, directors, key managerial personnel, associates or group companies except in the normal course of business and as disclosed in the sections titled Our Promoters, Our Promoters Group and Our Management as mentioned on page nos. 181, 186 and 165 of this Draft Red Herring Prospectus.

*This space has been left blank intentionally.*

## BASIS FOR ISSUE PRICE

Investors should read the following summary with the section titled “Risk Factors”, the details about our Company under the section titled "Our Business" and its financial statements under the section titled "Financial Information of the Company" beginning on page 26, 129, and 196 respectively of the Draft Red Herring Prospectus. The trading price of the Equity Shares of our Company could decline due to these risks and the investor may lose all or part of his investment.

The Price Band/ Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of qualitative and quantitative factors. The face value of the Equity Shares is ₹ 10/- each and the Issue Price.

### QUALITATIVE FACTORS

Some of the qualitative factors, which form the basis for computing the price, are:

1. *Designing and execution capabilities*
2. *Experienced management team and a motivated and efficient work force;*
3. *Cordial relations with our consumers;*
4. *Quality assurance and control.*

For further details, refer to the heading chapter titled “Our Business” beginning on page 129 of this Draft Red Herring Prospectus.

### QUANTITATIVE FACTORS

Information presented below relating to the Company is based on the Restated Financial Statements. Some of the quantitative factors which form the basis or computing the price are as follows:

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

Financial Year	EPS (Basic & Diluted)	Weight
2022-23	13.34	3
2021-22	(5.35)	2
2020-21	2.81	1
<b>Weighted Average EPS</b>		<b>5.36</b>
December 31, 2023*		<b>47.53</b>

\*Not Annualized

#### Note:

- a) EPS Calculations have been done in accordance with Accounting Standard 20 - Earning per share issued by the Institute of Chartered Accountants of India.
- b) Basic earnings per share are calculated by dividing the net profit after tax by the weighted average number of Equity Shares outstanding during the period.
- c) Weighted Average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year/period adjusted by the number of Equity Shares issued during year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.
- d) For the purpose of calculating diluted earnings per share, the net 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 effects of all dilutive potential equity shares except where the results are anti-dilutive.

**2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. [●]/- per Equity Share of face value Rs. 10/- each fully paid up.**

Particulars	P/E Ratio
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2021-2022	[●]
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2020-2021	[●]
P/E ratio based on the Basic & Diluted EPS, as restated for FY 2019-2020	[●]
P/E ratio based on the Weighted Average EPS, as restated	[●]

*\*Not Annualized*

**Industry P/E**

Highest	27.40
Lowest	27.40
<b>Average</b>	<b>27.40</b>

**3. Return on Net Worth (RONW)**

Financial Year	Return on Net Worth (%)	Weight
2022-23	11.68	3
2021-22	(5.30)	2
2020-21	2.65	1
<b>Weighted Average</b>		<b>4.52</b>
December 31, 2023*		<b>29.31</b>

*\*Not Annualized*

**Note:**

- Return on Net Worth (%) = Net Profit after tax attributable to owners of the Company, as restated / Net worth as restated as at year end.
- Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights
- Net worth is aggregate value of the paid-up share capital of the Company and reserves and surplus, excluding revaluation reserves and attributable to equity holders.

**4. Net Asset Value per Equity Share**

Particulars	Net Asset Value (NAV) in Rs.
December 31, 2023	161.56
2022-23	114.21
2021-22	100.87
2020-21	106.22
NAV after the Issue- At Cap Price	[●]
NAV after the Issue- At Floor Price	[●]

*Note: Net Asset Value has been calculated as per the following formula:*

*NAV = Net worth excluding preference share capital and revaluation reserve/Outstanding number of Equity shares outstanding during the year or period*

## 5. Comparison with industry peers

#	Name of the company	Face Value (Per share)	CMP	EPS (Rs)	P/E Ratio	RONW (%)	NAV (Rs. Per share)	PAT (Rs. In Thousands)
1	Aesthetik Engineers Limited	10.00	[●]	47.35	[●]	29.31	161.56	39,952.71
<b>Peer Group*</b>								
2	Innovators facade System Limited	10.00	188.00	2.68	27.40	4.32	62.00	50,517.00

*Note: Industry Peer may be modified for finalisation of Issue Price before filing Draft Red Herring Prospectus with ROC.*

*\* Sourced from Annual Reports, Unaudited Financials, BSE.*

### Notes:

- Considering the nature and turnover of business of the Company, the peers are not strictly comparable. However, the same have been included for broader comparison.
- The figures for Aesthetik Engineers Limited are based on the restated results for the year ended December 31, 2023.
- The figures for the peer group are based on standalone unaudited results for the half year ended September 30, 2023.
- Current Market Price (CMP) is the closing price of respective scrip as on April 30, 2024.

For further details see section titled Risk Factors beginning on page 26 and the financials of the Company including profitability and return ratios, as set out in the section titled Auditors Report and Financial Information of Our Company beginning on page 196 of this Draft Red Herring Prospectus for a more informed view.

### ***Key financial and operational performance indicators (“KPIs”)***

Our company considers that KPIs included herein below have a bearing for arriving at the basis for Offer Price. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated April 18, 2024. Further, the KPIs herein have been certified by M/s Maroti & Associates, Chartered Accountants, by their certificate dated April 18, 2024 vide UDIN 24309219BKGPIQ8655. Additionally, the Audit Committee on its meeting dated April 18, 2024 have confirmed that other than verified and audited KPIs set out below, our company has not disclosed to earlier investors at any point of time during the three years period prior to the date of the Draft Red Herring Prospectus.

For further details of our key performance indicators, see “Risk Factors, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 26, 129 and 248 respectively. We have described and defined them, where applicable, in “Definitions and Abbreviations” section on page no. 2. Our Company confirms that it shall continue to disclose all the KPIs included in this section “Basis for Offer Price”, 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 that is at least the later of (i) one year after the listing date or period specified by SEBI; or (ii) till the utilization of the Net Proceeds. Any change in these KPIs, during the aforementioned period, will be explained by our Company as required under the SEBI ICDR Regulations.

**6. Key metrics like revenue growth, EBIDTA Margin, PAT Margin and few balance sheet ratio are monitored on a periodic basis for evaluating the overall performance of our Company**

*(Amount in Thousands, except EPS, % and ratios)*

Particulars	For period ended December 31 <sup>st</sup> , 2023	Financial Year ended March 31 <sup>st</sup> , 2023	Financial Year ended March 31 <sup>st</sup> , 2022	Financial Year ended March 31 <sup>st</sup> , 2021
Revenue from operations <sup>(1)</sup>	472,631.19	400,097.64	257,391.17	135,805.27
Growth in revenue from operations <sup>(2)</sup>	18.13%	55.44%	89.53%	-
EBITDA <sup>(3)</sup>	60,744.40	20,458.27	11,497.16	7,745.33
EBITDA (%) Margin <sup>(4)</sup>	12.85%	5.11%	4.47%	5.70%
EBIDTA Growth year on year <sup>(5)</sup>	196.92%	77.94%	48.44%	-
ROCE (%) <sup>(6)</sup>	32.38	18.64	8.54	4.04
Current Ratio <sup>(7)</sup>	1.86	1.09	1.24	2.39
Operating cash flow <sup>(8)</sup>	(58,491.18)	33,363.47	13,052.57	(9,136.05)
PAT <sup>(9)</sup>	39,952.71	11,258.71	(4,512.46)	2,374.62
ROE/ RoNW <sup>(10)</sup>	29.31%	11.68%	(5.30%)	2.65%
EPS <sup>(11)</sup>	47.35	13.34	(5.35)	2.81

*Notes:*

<sup>(1)</sup> Revenue from operations is the total revenue generated by our Company from its operation.

<sup>(2)</sup> Growth in revenue in percentage, year on year

<sup>(3)</sup> EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income

<sup>(4)</sup> EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

<sup>(5)</sup> EBITDA growth rate year on year

<sup>(6)</sup> ROCE: Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders' equity plus long-term debt less Revaluation Reserve.

<sup>(7)</sup> Current Ratio: Current Asset over Current Liabilities

<sup>(8)</sup> Operating Cash Flow: Net cash inflow from operating activities.

<sup>(9)</sup> PAT is mentioned as PAT for the period

<sup>(10)</sup> ROC/RoNW is calculated PAT divided by shareholders' equity

<sup>(11)</sup> EPS is mentioned as EPS for the period

KPI	Explanation
Revenue from operation	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business.
Revenue Growth Rate %	Revenue Growth Rate informs the management of annual growth rate in revenue of the company on consideration to the previous period
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
EBITDA Growth Rate %	EBITDA Growth Rate inform the management of annual growth rate in EBIDTA of company on consideration to previous period
ROCE %	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.
Current Ratio	Current ratio indicate the company's ability to bear its short term obligations
Operating Cash Flow	Operating cash flow shows whether the company is able to generate cash from day to day business
PAT	Profit after Tax is an indicator which determine the actual earning available to equity shareholders

ROC/RoNW	ROC/RoNW (%) is an indicator which shows how much company is generating from its available shareholders' funds
EPS	Earning per shares is the company's earnings available of one share of the Company for the period

## 7. GAAP Financial Measures

GAAP Financial measures are numerical measures which are disclosed by the issuer company in accordance with the Generally Accepted Accounting Principles (GAAP) applicable for the issuer company i.e., measures disclosed in accordance with Indian Accounting Standards ("Ind AS") or Accounting Standards ("AS") notified in accordance with Section 133 of the Companies Act, 2013, as amended (the "Act"). These measures are generally disclosed in the financial statements of the issuer company.

*(Amount in Thousands)*

Particulars	Period ended December 31, 2023	Financial Year ended March 31st, 2023	Financial Year ended March 31st, 2022	Financial Year ended March 31st, 2021
Revenue from operations	472,631.19	400,097.64	257,391.17	135,805.27
Profit after tax	39,952.71	11,258.71	(4,512.46)	2,374.62
Cash flow from operating activities	(58,491.18)	33,363.47	13,052.57	(9,136.05)
Cash Flow from investing activities	40,039.42	(10,147.75)	(14,988.13)	14,184.94
Cash Flow from financing activities	25,975.57	(23,649.58)	(24,986.29)	278.20
Net Change in Cash and cash equivalents	7,523.80	(433.87)	(26,921.86)	5,327.09

## 8. Non- GAAP Financial measures

Non-GAAP Financial measures are numerical measures of the Technical Guide on Disclosure and Reporting of KPIs issuer company's historical financial performance, financial position, or cash flows that:

- Exclude amounts, or are subject to adjustments that have the effect of excluding amounts, that are included in the most directly comparable measures calculated and presented in accordance with GAAP in the financial statements of the issuer company; or
- Include amounts or are subject to adjustments that have the effect of including amounts, that are excluded from the most directly comparable measures so calculated and presented. Such adjustment items should be based on the audited line items only, which are included in the financial statements. These Non-GAAP Financial measures are items which are not defined under Ind AS or AS, as applicable. Generally, if the issuer company takes a commonly understood or defined GAAP amount and removes or adds a component of that amount that is also presented in the financial statements, the resulting amount is considered a Non-GAAP Financial measure. As a simplified example, if the issuer company discloses net income less restructuring charges and loss on debt extinguishment (having determined all amounts in accordance with GAAP), the resulting performance amount, which may be labelled "Adjusted Net Income," is a Non-GAAP Financial measure.

*(Amount in Thousands, except %)*

Particulars	Period ended December 31, 2023	Financial Year ended March 31st, 2023	Financial Year ended March 31st, 2022	Financial Year ended March 31st, 2021
EBITDA	60,744.40	20,458.27	11,497.16	7,745.33
Gross Margin	26.37%	14.27%	17.48%	23.93%
EBITDA Margin	12.85%	5.11%	4.47%	5.70%

Working Capital	1,27,713.17	12,169.83	25,973.88	64,825.10
PAT Margin	8.45%	2.81%	(1.75%)	1.75%
Net worth	136319.04	96366.33	85107.62	89620.08

## 9. Comparison of KPI with listed industry peers

*(Amount in Thousands, except%)*

Particulars	Aesthetik Engineers Limited			Innovators facade System Limited		
	Mar-23	Mar-22	Mar-21	Mar-23	Mar-22	Mar-21
Revenue from Operations <sup>(1)</sup>	4,00,097.64	2,57,391.17	1,35,805.27	18,11,658	8,92,363	6,58,661.79
Growth in Revenue from Operations <sup>(2)</sup>	55.44%	89.53%	-	100.86%	36.49%	-
EBITDA <sup>(3)</sup>	20,458.27	11,497.16	7,745.33	1,81,829	1,05,164	82,768.26
EBITDA Margin <sup>(4)</sup>	5.11%	4.47%	5.70%	10%	11.78%	12.56%
PAT <sup>(5)</sup>	11,258.71	(4,512.46)	2,374.62	84,455	16,301	7,863
PAT Margin <sup>(6)</sup>	2.81%	(1.75%)	1.75%	4.66%	1.83%	1.19%
Net Worth <sup>(7)</sup>	96,366.33	85,107.62	89,620.08	11,19,255.00	10,34,800.00	10,18,499.28

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

### Notes:

- <sup>(1)</sup> Revenue from Operations as appearing in the Restated Financial Statements/ Annual Reports of the respected companies.
- <sup>(2)</sup> Growth in Revenue from Operations (%) is calculated as Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period
- <sup>(3)</sup> EBITDA is calculated as Profit before tax + Depreciation + Finance Cost – other Income
- <sup>(4)</sup> EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations.
- <sup>(5)</sup> PAT is the profit for the period from continuing operations.
- <sup>(6)</sup> PAT Margin' is calculated as PAT for the period/year divided by Revenue from Operations.
- <sup>(7)</sup> Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account excluding the reserves creating out of revaluation of assets.

*This space has been left blank intentionally.*

## 10. Weighted average cost of acquisition

(a) *The price per share of our Company based on the primary/ new issue of shares*

The details of the Equity Shares excluding shares issued under ESOP/ESOS and issuance of bonus shares during the 18 months preceding the date of this draft red-herring prospectus where such issuance is equal to or more than 5 per cent of the fully diluted paid-up share capital of the Issuer Company (*calculated based on the pre-issue capital before such transaction*), in a single transaction or multiple transactions combined together over a span of rolling 30 days:

S. No.	Date of Allotment	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Issue Price Adjusted after Bonus Issue	Nature of consideration	Nature of Allotment
1.	On Incorporation	10,000	10	NA	0.00	Cash	Subscription to MOA
2.	07-04-2008	60,000	10	10	0.67	Other than Cash	Takeover of partnership firm
3.	02-07-2008	6,000	10	10	0.67	Cash	Private Placement
4.	23-03-2010	20,000	10	10	0.67	Cash	Private Placement
5.	31-03-2010	70,000	10	60	4.00	Cash	Private Placement
6.	30-03-2011	4,01,000	10	10	0.67	Cash	Private Placement
7.	25-10-2011	1,15,000	10	200	13.33	Cash	Private Placement
8.	29-03-2012	27,500	10	200	13.33	Cash	Private Placement
9.	22-10-2012	1,02,000	10	59	3.93	Cash	Private Placement
10.	16-07-2013	16,125	10	62	4.13	Cash	Private Placement
11.	25-11-2013	16,120	10	62	4.13	Cash	Private Placement

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

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

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

Type of transaction	Weighted average cost of acquisition (₹ per equity shares)	Weighted average cost of acquisition after Bonus shares adjustments (₹ per equity shares)	Floor Price	Cap Price
Weighted average cost of primary / new issue acquisition	Nil	Nil	[●]	[●]
Weighted average cost of secondary acquisition	4.49	0.33	[●]	[●]

\*Calculated for last 18 months

\*\*Calculated for Transfer of Equity Shares.

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

Not Applicable.

*This space has been left blank intentionally.*

## STATEMENT OF TAX BENEFITS

### Independent Auditor's Report on Statement of Special Tax Benefits

To,  
The Board of Directors,  
**Aesthetik Engineers Limited**  
(Previously known as Aesthetik Engineers Private Limited)  
1858/1, 5th Floor, Unit 503-505,  
Acropolis Mall, Rajdanga Main Road,  
Kasba, Kolkata, West Bengal-700107, India

**Subject: Statement of Possible Special Tax Benefits Available to the Aesthetik Engineers Limited (Previously known as Aesthetik Engineers Private Limited) and its shareholders prepared in accordance with the requirements under Schedule VI-PART A, Clause (9) (L) of the SEBI (ICDR) Regulations, 2018, as amended (the "Regulations")**

We hereby confirm that the enclosed annexure, prepared by “Aesthetik Engineers Limited” (“the Company”) and initialled by us for identification purpose for the Initial Public Offer of the equity shares of the company (“IPO”), states the possible special tax benefits available to the Company and the shareholders of the Company under the Income – tax Act, 1961 (‘Act’) as amended time to time, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the State Goods and Services Tax Act as passed by respective State Governments from where the Company operates and applicable to the Company, the Customs Act, 1962 and the Foreign Trade Policy 2015-2020, as amended by the Finance Act, 2021, i.e., applicable for the Financial Year 2021-22 relevant to the assessment year 2022-23, presently in force in India for inclusion in the Draft Red Herring Prospectus (“DRHP”) / Red Herring Prospectus (“RHP”) / Prospectus for the proposed public offer of equity shares, as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”).

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and its Shareholders and do not cover any general tax benefits. Further, these benefits are neither exhaustive nor conclusive and the preparation of the contents stated is the responsibility of the Company’s management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

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

- the Company or its Shareholders will continue to obtain these benefits in future;
- the conditions prescribed for availing the benefits, where applicable have been/would be met;

- The revenue authorities/courts will concur with the views expressed herein.

We hereby give our consent to include enclosed statement regarding the tax benefits available to the Company and to its shareholders in the DRHP for the proposed public offer of equity shares which the Company intends to submit to the Securities and Exchange Board of India provided that the below statement of limitation is included in the offer document.

### **Limitations**

- Our views expressed in the statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the interpretation of the existing tax laws in force in India 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. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on the statement.*
- The enclosed Annexure is intended solely for your information and for inclusion in the Draft Red Herring Prospectus / Red Herring Prospectus/ Prospectus or any other issue related material in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.*
- The certificate is issued solely for the limited purpose to comply with ICDR regulations only. We accept no responsibility and deny any liability to any person who seeks to rely on this report and who may seek to make a claim in connection with any offering of securities on the basis that they has acted in reliance on such information under the protections afforded by any law and regulation other than laws of India.*

**For, Maroti and Associates,  
Chartered Accountants  
Firm Registration No.: 322770E**

**Sd/-  
CA Radhika Patodia  
Partner  
Membership No.: 309219**

**UDIN: 24309219BKGP101584**

**Place: Kolkata  
Date: April 18, 2024**

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## **Annexure to the statement of possible Tax Benefits**

Outlined below are the possible Special tax benefits available to the Company and its shareholders under the Income Tax Act, 1961 as amended time to time, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the State Goods and Services Tax Act as passed by respective State Governments from where the Company operates and applicable to the Company, the Customs Act, 1962 and the Foreign Trade Policy, presently in force in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have different interpretation on the benefits, which an investor can avail.

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

### **1. Special Tax Benefits available to the Company under the Act:**

The Company is not entitled to any Special tax benefits under the Act.

### **2. Special Tax Benefits available to the shareholders of the Company**

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

Notes:

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.

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.

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## SECTION V – ABOUT THE COMPANY

### INDUSTRY OVERVIEW

The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. None of the Company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projection forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on information.

### GLOBAL OUTLOOK

#### **Moderating Inflation and Steady Growth Open Path to Soft Landing**

- Global growth is projected at 3.1 percent in 2024 and 3.2 percent in 2025, with the 2024 forecast 0.2 percentage point higher than that in the October 2023 World Economic Outlook (WEO) on account of greater-than-expected resilience in the United States and several large emerging market and developing economies, as well as fiscal support in China. The forecast for 2024–25 is, however, below the historical (2000–19) average of 3.8 percent, with elevated central bank policy rates to fight inflation, a withdrawal of fiscal support amid high debt weighing on economic activity, and low underlying productivity growth. Inflation is falling faster than expected in most regions, in the midst of unwinding supply-side issues and restrictive monetary policy. Global headline inflation is expected to fall to 5.8 percent in 2024 and to 4.4 percent in 2025, with the 2025 forecast revised down.
- With disinflation and steady growth, the likelihood of a hard landing has receded, and risks to global growth are broadly balanced. On the upside, faster disinflation could lead to further easing of financial conditions. Looser fiscal policy than necessary and than assumed in the projections could imply temporarily higher growth, but at the risk of a more costly adjustment later on. Stronger structural reform momentum could bolster productivity with positive cross-border spillovers. On the downside, new commodity price spikes from geopolitical shocks—including continued attacks in the Red Sea—and supply disruptions or more persistent underlying inflation could prolong tight monetary conditions. Deepening property sector woes in China or, elsewhere, a disruptive turn to tax hikes and spending cuts could also cause growth disappointments.
- Policymakers' near-term challenge is to successfully manage the final descent of inflation to target, calibrating monetary policy in response to underlying inflation dynamics and—where wage and price pressures are clearly dissipating—adjusting to a less restrictive stance. At the same time, in many cases, with inflation declining and economies better able to absorb effects of fiscal tightening, a renewed focus on fiscal consolidation to rebuild budgetary capacity to deal with future shocks, raise revenue for new spending priorities, and curb the rise of public debt is needed. Targeted and carefully sequenced structural reforms would reinforce productivity growth and debt sustainability and accelerate convergence toward higher income levels. More efficient multilateral coordination is needed for, among other things, debt resolution, to avoid debt distress and create space for necessary investments, as well as to mitigate the effects of climate change.

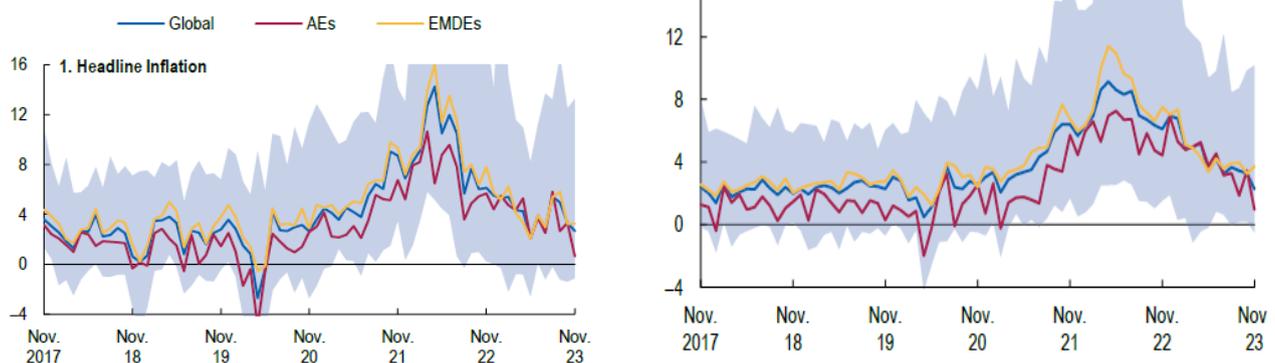
## Forces Shaping the Outlook

The global economic recovery from the COVID-19 pandemic, Russia’s invasion of Ukraine, and the cost-of-living crisis is proving surprisingly resilient. Inflation is falling faster than expected from its 2022 peak, with a smaller-than-expected toll on employment and activity, reflecting favorable supply-side developments and tightening by central banks, which has kept inflation expectations anchored. At the same time, high interest rates aimed at fighting inflation and a withdrawal of fiscal support amid high debt are expected to weigh on growth in 2024.

**Growth resilient in major economies:** Economic growth is estimated to have been stronger than expected in the second half of 2023 in the United States, and several major emerging market and developing economies. In several cases, government and private spending contributed to the upswing, with real disposable income gains supporting consumption amid still-tight—though easing—labor markets and households drawing down on their accumulated pandemic-era savings. A supply-side expansion also took hold, with a broad-based increase in labor force participation, resolution of pandemic-era supply chain problems, and declining delivery times. The rising momentum was not felt everywhere, with notably subdued growth in the euro area, reflecting weak consumer sentiment, the lingering effects of high energy prices, and weakness in interest-rate-sensitive manufacturing and business investment. Low-income economies continue to experience large output losses compared with their prepandemic (2017–19) paths amid elevated borrowing costs.

**Inflation subsiding faster than expected:** Amid favorable global supply developments, inflation has been falling faster than expected, with recent monthly readings near the prepandemic average for both headline and underlying (core) inflation (Figure 1). Global headline inflation in the fourth quarter of 2023 is estimated to have been about 0.3 percentage point lower than predicted in the October 2023 WEO on a quarter-over-quarter seasonally adjusted basis. Diminished inflation reflects the fading of relative price shocks—notably those to energy prices—and their associated pass-through to core inflation. The decline also reflects an easing in labor market tightness, with a decline in job vacancies, a modest rise in unemployment, and greater labor supply, in some cases associated with a strong inflow of immigrants. Wage growth has generally remained contained, with wage-price spirals—in which prices and wages accelerate together—not taking hold. Near-term inflation expectations have fallen in major economies, with long-term expectations remaining anchored.

**Figure 1. Global Inflation: Rise and Fall**  
(Month-over-month annualized percent change, seasonally adjusted)



**High borrowing costs cooling demand:** To reduce inflation, major central banks raised policy interest rates to restrictive levels in 2023, resulting in high mortgage costs, challenges for firms refinancing their debt, tighter credit availability, and weaker business and residential investment. Commercial real estate has been especially under pressure, with higher borrowing costs compounding postpandemic structural changes. But with inflation easing, market expectations that future policy rates will decline have contributed to a reduction in longer-term interest rates and rising equity markets. Still, long-term borrowing costs remain high in both advanced and emerging market and developing economies, partly because government debt has been rising. In addition, central banks’ policy rate decisions are becoming increasingly asynchronous. In some countries with falling inflation—including Brazil and Chile, where central banks tightened policy earlier than in other countries—interest rates have been declining since the second half of 2023. In China, where inflation has been near zero, the central bank

has eased monetary policy. The Bank of Japan has kept short-term interest rates near zero.

***Fiscal policy amplifying economic divergence:*** Governments in advanced economies eased fiscal policy in 2023. The United States, where GDP had already exceeded its prepandemic path, eased policy more than did euro area and other economies in which the recovery was incomplete. In emerging market and developing economies, in which output has on average fallen even further below the prepandemic trend, on average the fiscal stance is estimated to have been neutral. The exceptions include Brazil and Russia, where fiscal policy eased in 2023. In low-income countries, liquidity squeezes and the elevated cost of interest payments—averaging 13 percent of general government revenues, about double the level 15 years ago—crowded out necessary investments, hampering the recovery of large output losses compared with prepandemic trends. In 2024, the fiscal policy stance is expected to tighten in several advanced and emerging market and developing economies to rebuild budgetary room for maneuver and curb the rising path of debt, and this shift is expected to slow growth in the near term.

## **The Forecast**

### **Growth Outlook: Resilient but Slow**

*Global growth*, estimated at 3.1 percent in 2023, is projected to remain at 3.1 percent in 2024 before rising modestly to 3.2 percent in 2025 (Table 1). Compared with that in the October 2023 WEO, the forecast for 2024 is about 0.2 percentage point higher, reflecting upgrades for China, the United States, and large emerging market and developing economies. Nevertheless, the projection for global growth in 2024 and 2025 is below the historical (2000–19) annual average of 3.8 percent, reflecting restrictive monetary policies and withdrawal of fiscal support, as well as low underlying productivity growth. Advanced economies are expected to see growth decline slightly in 2024 before rising in 2025, with a recovery in the euro area from low growth in 2023 and a moderation of growth in the United States. Emerging market and developing economies are expected to experience stable growth through 2024 and 2025, with regional differences.

World trade growth is projected at 3.3 percent in 2024 and 3.6 percent in 2025, below its historical average growth rate of 4.9 percent. Rising trade distortions and geoeconomic fragmentation are expected to continue to weigh on the level of global trade. Countries imposed about 3,200 new restrictions on trade in 2022 and about 3,000 in 2023, up from about 1,100 in 2019, according to Global Trade Alert data.

These forecasts are based on assumptions that fuel and nonfuel commodity prices will decline in 2024 and 2025 and that interest rates will decline in major economies. Annual average oil prices are projected to fall by about 2.3 percent in 2024, whereas nonfuel commodity prices are expected to fall by 0.9 percent. Projections are for policy rates to remain at current levels for the Federal Reserve, the European Central Bank, and the Bank of England until the second half of 2024, before gradually declining as inflation moves closer to targets. The Bank of Japan is projected to maintain an overall accommodative stance.

For *advanced economies*, growth is projected to decline slightly from 1.6 percent in 2023 to 1.5 percent in 2024 before rising to 1.8 percent in 2025. An upward revision of 0.1 percentage point for 2024 reflects stronger-than-expected US growth, partly offset by weaker-than-expected growth in the euro area.

### **Inflation Outlook: Steady Decline to Target**

Global headline inflation is expected to fall from an estimated 6.8 percent in 2023 (annual average) to 5.8 percent in 2024 and 4.4 percent in 2025. The global forecast is unrevised for 2024 compared with October 2023 projections and revised down by 0.2 percentage point for 2025. Advanced economies are expected to see faster disinflation, with inflation falling by 2.0 percentage points in 2024 to 2.6 percent, than are emerging market and developing economies, where inflation is projected to decline by just 0.3 percentage point to 8.1 percent. The forecast is revised down for both 2024 and 2025 for advanced economies, while it is revised up for 2024 for emerging market and developing economies, mainly on account of Argentina where the realignment of relative prices and elimination of legacy price controls, past currency depreciation, and the related pass-through into prices is expected to increase inflation in the near term. The drivers of declining inflation differ by country but generally reflect lower core inflation as a result of still-tight monetary policies, a related softening in labor

markets, and pass-through effects from earlier and ongoing declines in relative energy prices.

**Table 1. Overview of the World Economic Outlook Projections**

*(Percent change, unless noted otherwise)*

	Year over Year						Q4 over Q4 2/		
	Estimate		Projections		Difference from October 2023		Estimate	Projections	
	2022	2023	2024	2025	2024	2025	2023	2024	2025
<b>World Output</b>	3.5	3.1	3.1	3.2	0.2	0.0	3.1	3.1	3.1
<b>Advanced Economies</b>	2.6	1.6	1.5	1.8	0.1	0.0	1.6	1.6	1.7
United States	1.9	2.5	2.1	1.7	0.6	-0.1	2.9	1.5	1.9
Euro Area	3.4	0.5	0.9	1.7	-0.3	-0.1	0.2	1.5	1.6
Germany	1.8	-0.3	0.5	1.6	-0.4	-0.4	-0.1	1.1	1.9
France	2.5	0.8	1.0	1.7	-0.3	-0.1	0.6	1.4	1.8
Italy	3.7	0.7	0.7	1.1	0.0	0.1	0.2	1.3	1.0
Spain	5.8	2.4	1.5	2.1	-0.2	0.0	1.5	1.8	2.1
Japan	1.0	1.9	0.9	0.8	-0.1	0.2	1.4	1.6	0.5
United Kingdom	4.3	0.5	0.6	1.6	0.0	-0.4	0.9	0.6	1.8
Canada	3.8	1.1	1.4	2.3	-0.2	-0.1	1.1	1.9	2.2
Other Advanced Economies 3/	2.7	1.7	2.1	2.5	-0.1	0.2	1.5	2.6	2.0
<b>Emerging Market and Developing Economies</b>	4.1	4.1	4.1	4.2	0.1	0.1	4.3	4.3	4.1
Emerging and Developing Asia	4.5	5.4	5.2	4.8	0.4	-0.1	5.2	5.5	4.7
China	3.0	5.2	4.6	4.1	0.4	0.0	5.4	4.4	4.0
India 4/	7.2	6.7	6.5	6.5	0.2	0.2	5.0	7.8	6.7
Emerging and Developing Europe	1.2	2.7	2.8	2.5	0.6	0.0	4.1	2.0	2.9
Russia	-1.2	3.0	2.6	1.1	1.5	0.1	4.4	1.4	1.0
Latin America and the Caribbean	4.2	2.5	1.9	2.5	-0.4	0.1	2.2	1.7	2.6
Brazil	3.0	3.1	1.7	1.9	0.2	0.0	2.3	2.6	1.4
Mexico	3.9	3.4	2.7	1.5	0.6	0.0	3.4	1.9	1.4
Middle East and Central Asia	5.5	2.0	2.9	4.2	-0.5	0.3	...	...	...
Saudi Arabia	8.7	-1.1	2.7	5.5	-1.3	1.3	-4.5	2.8	5.4
Sub-Saharan Africa	4.0	3.3	3.8	4.1	-0.2	0.0	...	...	...
Nigeria	3.3	2.8	3.0	3.1	-0.1	0.0	2.7	3.3	2.9
South Africa	1.9	0.6	1.0	1.3	-0.8	-0.3	1.0	1.2	1.3
<b>Memorandum</b>									
World Growth Based on Market Exchange Rates	3.0	2.7	2.6	2.7	0.2	0.0	2.7	2.5	2.6
European Union	3.6	0.6	1.2	1.9	-0.3	-0.2	0.7	1.4	2.3
ASEAN-5 5/	5.5	4.2	4.7	4.4	0.2	-0.1	4.1	5.2	3.5
Middle East and North Africa	5.6	2.0	2.9	4.2	-0.5	0.3	...	...	...
Emerging Market and Middle-Income Economies	4.0	4.2	4.0	4.0	0.1	0.0	4.3	4.3	4.1
Low-Income Developing Countries	5.2	4.0	5.0	5.6	-0.1	0.0	...	...	...
<b>World Trade Volume (goods and services) 6/</b>	5.2	0.4	3.3	3.6	-0.2	-0.1	...	...	...
Advanced Economies	6.1	0.3	2.6	3.2	-0.4	-0.1	...	...	...
Emerging Market and Developing Economies	3.7	0.6	4.5	4.4	0.2	0.0	...	...	...
<b>Commodity Prices</b>									
Oil 7/	39.2	-16.0	-2.3	-4.8	-1.6	0.1	-2.8	-6.1	-4.9
Nonfuel (average based on world commodity import)	7.9	-6.1	-0.9	-0.4	1.8	-0.3	-2.0	1.5	0.2
<b>World Consumer Prices 8/</b>	8.7	6.8	5.8	4.4	0.0	-0.2	6.0	5.3	3.8
Advanced Economies 9/	7.3	4.6	2.6	2.0	-0.4	-0.2	3.1	2.3	2.0
Emerging Market and Developing Economies 8/	9.8	8.4	8.1	6.0	0.3	-0.2	8.4	7.7	5.2

Overall, about 80 percent of the world's economies are expected to see lower annual average headline and core inflation in 2024. Among economies with an inflation target, headline inflation is projected to be 0.6 percentage point above target for the median economy by the fourth quarter of 2024, down from an estimated gap of 1.7 percentage points at the end of 2023. Most of these economies are expected to reach their targets (or target range midpoints) by 2025. In several major economies, the downward revision to the projected path of inflation, combined with a modest upgrade to economic activity, implies a softer-than-expected landing.

## **Risks to the Outlook**

With the likelihood of a hard landing receding as adverse supply shocks unwind, risks to the global outlook are broadly balanced. There is scope for further upside surprises to global growth, although other potential factors pull the distribution of risks in the opposite direction.

**Upside risks.** Stronger global growth than expected could arise from several sources:

- **Faster disinflation:** In the near term, the risk that inflation will fall faster than expected could again become a reality, with stronger-than-expected pass-through from lower fuel prices, further downward shifts in the ratio of vacancies to unemployed persons, and a compression of profit margins to absorb past cost increases. Combined with a decline in inflation expectations, such developments could allow central banks to move forward with their policy-easing plans and could also contribute to improving business, consumer, and financial market sentiment, as well as raising growth.
- **Slower-than-assumed withdrawal of fiscal support:** Governments in major economies might withdraw fiscal policy support more slowly than necessary and than assumed during 2024–25, implying higher-than-projected global growth in the near term. However, such delays could in some cases exacerbate inflation and, with elevated public debt, result in higher borrowing costs and a more disruptive policy adjustment, with a negative impact on global growth later on.
- **Faster economic recovery in China:** Additional property sector-related reforms—including faster restructuring of insolvent property developers while protecting home buyers’ interests—or larger-than-expected fiscal support could boost consumer confidence, bolster private demand, and generate positive cross-border growth spillovers.
- **Artificial intelligence and supply-side reforms:** Over the medium term, artificial intelligence could boost workers’ productivity and incomes, although this would depend on countries’ harnessing the potential of artificial intelligence. Advanced economies may experience benefits from artificial intelligence sooner than emerging market and developing economies, largely because their employment structures are more focused on cognitive-intensive roles. For emerging market and developing economies with constrained policy environments, faster progress on implementing supply-enhancing reforms could result in greater-than-expected domestic and foreign investment and productivity and faster convergence to higher income levels.

**Downside risks.** Several adverse risks to global growth remain plausible:

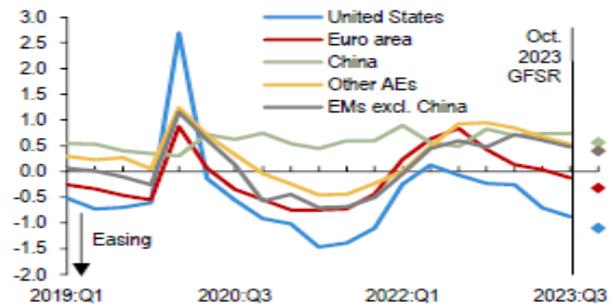
- **Commodity price spikes amid geopolitical and weather shocks:** The conflict in Gaza and Israel could escalate further into the wider region, which produces about 35 percent of the world’s oil exports and 14 percent of its gas exports. Continued attacks in the Red Sea—through which 11 percent of global trade flows—and the ongoing war in Ukraine risk generating fresh adverse supply shocks to the global recovery, with spikes in food, energy, and transportation costs. Container shipping costs have already sharply increased, and the situation in the Middle East remains volatile. Further geoeconomic fragmentation could also constrain the cross-border flow of commodities, causing additional price volatility. More extreme weather shocks, including floods and drought, could, together with the El Niño phenomenon, also cause food price spikes, exacerbate food insecurity, and jeopardize the global disinflation process.
- **Persistence of core inflation, requiring a tighter monetary policy stance:** A slower-than-expected decline in core inflation in major economies due, for example, to persistent labor market tightness and renewed tensions in supply chains could trigger a rise in interest rate expectations and a fall in asset prices, as in early 2023. Such developments could increase financial stability risks, tighten global financial conditions, trigger flight-to-safety capital flows, and strengthen the US dollar, with adverse consequences for trade and growth.
- **Faltering of growth in China:** Absent a comprehensive restructuring policy package for the troubled property sector, real estate investment could drop more than expected, and for longer, with negative implications for domestic growth and trading partners. Unintended fiscal tightening in response to local

government financing constraints is also possible, as is reduced household consumption in a context of subdued confidence.

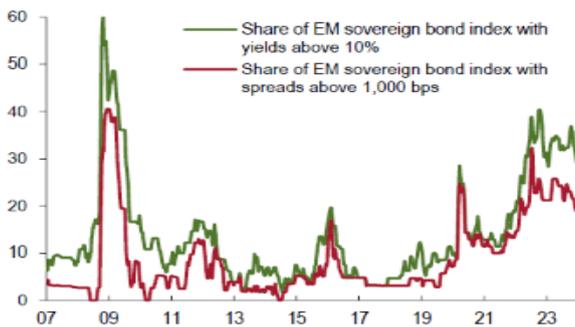
- Disruptive turn to fiscal consolidation:** Fiscal consolidation is necessary in many economies to deal with rising debt ratios. But an excessively sharp shift to tax hikes and spending cuts, beyond what is envisaged, could result in slower-than-expected growth in the near term. Adverse market reactions could pressure some countries that lack a credible medium-term consolidation plan or face a risk of debt distress to undertake harsh adjustments. In low-income countries and emerging market economies, the risk of debt distress remains elevated, constraining scope for necessary growth-enhancing investments.

Since the October 2023 Global Financial Stability Report, inflationary pressures have continued to recede, fueling expectations that monetary policy in advanced economies will ease in the coming quarters. The resulting momentous decline in interest rate expectations in December has driven a broad-based rally in risky assets. Global financial conditions have loosened, on net, since October, with that loosening driven by higher equity valuations, lower volatility, and already compressed corporate bond spreads (Figure 1.1).

**Figure 1.1. Financial Conditions Index (Standard deviations from the mean)**



**Figure 1.2. Share of EM Sovereigns with High Yields and Wide Spreads (Percent)**



Amid significant interest rate volatility, the correlation between emerging market assets and US Treasury yields has increased. Higher yields in advanced economies have led to outflows in emerging market assets, although this has reversed since November for local currency assets. Nevertheless, financial conditions in this higher-rate environment may continue to challenge economies in some regions, especially those of weaker emerging markets and countries with rapidly narrowing differentials against interest rates in the United States (Figure 1.2).

**Global bond yields have fallen significantly on net since October, especially at longer maturities.**

Real rates have driven declines throughout the curve, reflecting the market’s reassessment of the future interest rate environment. For example, in the United States, after rising to levels last seen before the global financial crisis, 10-year real rates have reversed their trend to below 2 percent. Yields have increased since the beginning of 2024 as investors pare back expectations on the magnitude and pace of monetary policy easing by major central banks.

**Investor optimism about the macro-outlook stands in contrast to the deterioration of credit quality among borrowers.**

Bank credit growth has fallen as the higher interest rates during 2023 have weighed on demand for loans while banks continue to exhibit lower risk tolerance. In the meantime, defaults continue to mount for some segments of borrowers. Central banks’ balance sheet reduction so far has been orderly. However, there are signs that lower liquidity in the financial system is starting to weigh on market functioning, particularly in certain short-term funding markets, with US repo funding rates having episodically spiked over the past few months.

**Exposure of the banking system to commercial real estate is still a concern as tepid demand in some economies and higher borrowing costs increase risks of default among commercial real estate borrowers.**

The recent insolvency of a giant European property company serves as a reminder of the fragilities the real estate sector faces in the current environment of volatile interest rates and falling real estate prices. US banks also contend with still-sizable unrealized losses on available-for-sale and held to-maturity securities. Despite the end-of-year rebound in equity markets, price-to-book ratios for US regional banks have not yet fully recovered from the March 2023 turmoil.

(Source: <https://www.imf.org/en/Publications/WEO/Issues/2024/01/30/world-economic-outlook-update-january-2024>)

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## INDIAN ECONOMY

### Introduction

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. India's gross domestic product (GDP) at current prices in the second quarter (Q2) of 2023-24 is estimated to be Rs. 71.66 trillion (US\$ 861.2 billion), as against Rs. 65.67 trillion (US\$ 789.2 billion) in Q2 of 2022-23, showing a growth rate of 9.1%. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the first half of FY24. In 2023-24 (April-December), India's service exports stood at US\$ 247.92 billion. Furthermore, India's overall exports (services and merchandise) in 2023-24 (April-December) were estimated at US\$ 565.04 billion. Rising employment and substantially increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

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

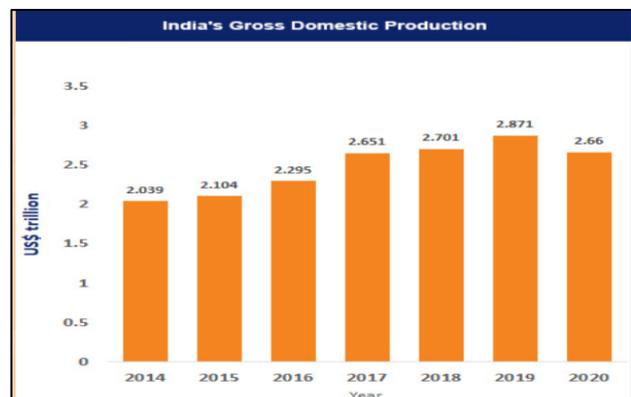
India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

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

### Market Size

India's nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 296.58 trillion (US\$ 3.56 trillion) in 2023-24. Additionally, the Nominal GDP at current prices in Q2 of 2023-24 was Rs. 71.66 trillion (US\$ 861.2 billion), as against Rs. 65.67 trillion (US\$ 789.2 billion) in 2022-23, estimating a growth of 9.1%. As of 03rd October 2023, India is home to 111 unicorns with a total valuation of US\$ 349.67 Billion. Out of the total number of unicorns, 45 unicorns with a total valuation of US\$ 102.30 Billion were born in 2021 and 22 unicorns with a total valuation of \$ 29.20 Billion were born in 2022. India presently has the third-largest unicorn base in the world. The government is also focusing on renewable sources by achieving 40% of its energy from non-fossil sources by 2030. India is committed to achieving the country's ambition of Net Zero Emissions by 2070 through a five-pronged strategy, 'Panchamrit'. Moreover, India ranked 3rd in the renewable energy country attractive index.

According to the McKinsey Global Institute, India needs to boost its rate of employment growth and create 90 million non-farm jobs between 2023 to 2030 in order to increase productivity and economic growth. The net employment rate needs to grow by 1.5% per annum from 2023 to 2030 to achieve 8-8.5% GDP growth between same time period. The current account deficit stood at US\$ 8.3 billion, or 1% of GDP, in the second quarter of fiscal 2023-24 as compared to US\$ 9.2 billion or 1.1% of GDP in the preceding quarter.



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

and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal, Indian exports are expected to reach US\$ 1 trillion by 2030.

## Recent Developments

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

- As of January 19, 2024, India's foreign exchange reserves stood at US\$ 616.14 billion.
- In 2023, India saw a total of US\$ 49.8 billion in PE-VC investments.
- Merchandise exports in December 2023 stood at US\$ 38.45 billion, with total merchandise exports of US\$ 505.15 billion during the period of April-December (2023-24).
- India was also named as the 48th most innovative country among the top 50 countries, securing 40th position out of 132 economies in the Global Innovation Index 2023. India rose from 81st position in 2015 to 40th position in 2023. India ranks 3rd position in the global number of scientific publications.
- At the beginning of January 2024, the PMI Services comfortably remained in the expansionary zone, registering a value of 61.2.
- In December 2023, the gross Goods and Services Tax (GST) revenue collection stood at Rs.1,64,882 crore (US\$ 19.80 billion), of which CGST is Rs. 30,443 crore (US\$ 3.65 billion), SGST is Rs. 37,935 crore (US\$ 4.55 billion).
- Between April 2000–September 2023, cumulative FDI equity inflows to India stood at US\$ 953.14 billion.
- In November 2023, the overall IIP (Index of Industrial Production) stood at 141. The Indices of Industrial Production for the mining, manufacturing and electricity sectors stood at 131.1, 139.2 and 176.3, respectively, in November 2023.
- According to data released by the Ministry of Statistics & Programme Implementation (MoSPI), India's Consumer Price Index (CPI) based retail inflation reached 5.55% in November 2023.
- Foreign Institutional Investors (FII) inflows between April-July (2023-24) were close to Rs. 80,500 crore (US\$ 9.67 billion), while Domestic Institutional Investors (DII) sold Rs. 4,500 crore (US\$ 540.56 million) in the same period. As per depository data, Foreign Portfolio Investors (FPIs) invested Rs. 261,856 crore (US\$ 31.5 billion) in India during April-December (2023-24).
- The wheat procurement during RMS 2023-24 (till May) was estimated to be 262 lakh metric tonnes (LMT) and the rice procured in KMS 2023-24 was 385 LMT. The combined stock position of wheat and rice in the Central Pool is over 579 LMT (Wheat 312 LMT and Rice 267 LMT).

## Government Initiatives

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

- On January 22, 2024, Prime Minister Mr. Narendra Modi announced the 'Pradhan Mantri Suryodaya Yojana'. Under this scheme, 1 crore households will receive rooftop solar installations.
- On September 17th, 2023, Prime Minister Mr. Narendra Modi launched the Central Sector Scheme PM-VISHWAKARMA in New Delhi. The new scheme aims to provide recognition and comprehensive support to traditional artisans & craftsmen who work with their hands and basic tools. This initiative is designed to enhance the quality, scale, and reach of their products, as well as to integrate them with MSME value chains.

- On August 6th, 2023, Amrit Bharat Station Scheme was launched to transform and revitalize 1309 railway stations across the nation. This scheme envisages development of stations on a continuous basis with a long-term vision.
- On June 28th, 2023, the Ministry of Environment, Forests, and Climate Change introduced the 'Draft Carbon Credit Trading Scheme, 2023'.
- From April 1st, 2023, Foreign Trade Policy 2023 was unveiled to create an enabling ecosystem to support the philosophy of 'AtmaNirbhar Bharat' and 'Local goes Global'.
- Prime Minister Mr Narendra Modi has inaugurated a new food security scheme for providing free food grains to Antodaya Ann Yojna (AAY) & Primary Household (PHH) beneficiaries, called Pradhan Mantri Garib Kalyan Ann Yojana (PMGKAY) from January 1st, 2023.
- On October 7th, 2022, the Department for Promotion of Industry and Internal Trade (DPIIT) launched Credit Guarantee Scheme for Start-ups (CGSS) aiming to provide credit guarantees up to a specified limit by start-ups, facilitated by Scheduled Commercial Banks, Non-Banking Financial Companies and Securities and Exchange Board of India (SEBI) registered Alternative Investment Funds (AIFs).
- Telecom Technology Development Fund (TTDF) Scheme was launched in October 2022 by the Universal Service Obligation Fund (USOF), a body under the Department of Telecommunications. The objective is to fund R&D in rural-specific communication technology applications and form synergies among academia, start-ups, research institutes, and the industry to build and develop the telecom ecosystem.
- In July 2022, the Reserve Bank of India (RBI) approved international trade settlements in Indian rupees (Rs.) in order to promote the growth of global trade with emphasis on exports from India and to support the increasing interest of the global trading community.
- The Agnipath Scheme aims to develop a young and skilled armed force backed by an advanced warfare technology scheme by providing youth with an opportunity to serve Indian Army for a 4-year period.
- Mr. Rajnath Singh, Minister of Defence, launched 75 newly developed Artificial Intelligence (AI) products/technologies during the first-ever 'AI in Defence' (AIDef) symposium and exhibition organized by the Ministry of Defence in New Delhi on July 11th, 2022.
- In June 2022, Prime Minister Mr. Narendra Modi laid the foundation stone of 1,406 projects worth more than Rs. 80,000 crore (US\$ 10.01 billion) at the ground-breaking ceremony of the UP Investors Summit in Lucknow. The Projects encompass diverse sectors like Agriculture and Allied industries, IT and Electronics, MSME, Manufacturing, Renewable Energy, Pharma, Tourism, Defence & Aerospace, and Handloom & Textiles.
- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- 'Mission Shakti' was applicable with effect from April 1st, 2022, aimed at strengthening interventions for women's safety, security, and empowerment.
- Strengthening of Pharmaceutical Industry (SPI) was launched in March 2022 by the Ministry of Chemicals & Fertilisers to provide credit linked capital and interest subsidy for Technology Upgradation of MSME units in pharmaceutical sector, as well as support of up to Rs. 20 crore (US\$ 2.4 million) each for common facilities including Research centre, testing labs and ETPs (Effluent Treatment Plant) in Pharma Clusters, to enhance the role of MSMEs.
- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of AtmaNirbhar Bharat and create 60 lakh jobs with an additional production capacity of Rs. 30 trillion (US\$ 401.49 billion) in the next five years.
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- In November 2020, the Government of India announced Rs. 2.65 trillion (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction, and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of the average Indian consumer, which would further drive demand and spur development, thus

benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.

- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- The Government of India is expected to increase public health spending to 2.5% of the GDP by 2025.

## Road Ahead

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

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in 2023-24, stood 37.4% higher than the same period last year. In the budget of 2023-24, capital expenditure took lead by steeply increasing the capital expenditure outlay by 37.4 % in BE 2023-24 to Rs.10 lakh crore (US\$ 120.12 billion) over Rs. 7.28 lakh crore (US\$ 87.45 billion) in RE 2022-23. The ratio of revenue expenditure to capital outlay increased by 1.2% in the current year, signalling a clear change in favour of higher-quality spending. Stronger revenue generation because of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels. Further, In the interim budget for FY24, Government increased FY25 Capex outlay to record Rs.11.11 lakh crore (US\$ 133.5 billion).

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

(Source: <https://www.ibef.org/economy/indian-economy-overview>).

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## GLOBAL FACADES MARKET OVERVIEW

Facades Market Size was valued at USD 220.9 billion in 2022. The Facades market industry is projected to grow from USD 235.0376 Billion in 2023 to USD 386.0738 billion by 2032, exhibiting a compound annual growth rate (CAGR) of 6.40% during the forecast period (2023 - 2032). Increased unprecedented growth in the development of energy-saving façade materials development of advanced materials along with an increased focus on aesthetics is the key market driver enhancing the market growth.



### Facades Market Trends:

- **An increase in construction activities is driving the market growth.**

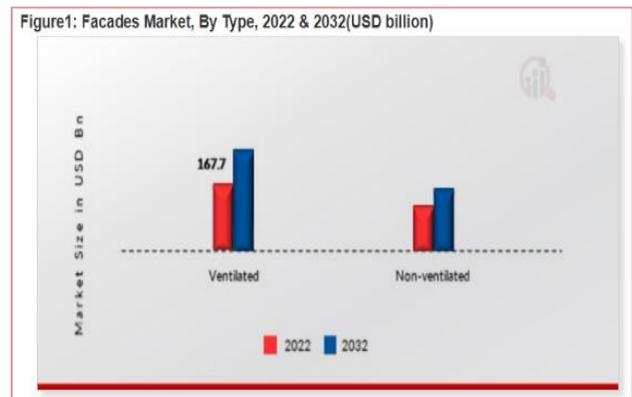
The need for commercial, non-commercial, residential, and non-residential structures has increased as a result of increasing industrialization. Construction of manufacturing facilities, shopping malls, warehouses, factories, stadiums, universities, schools, offices, hotels, restaurants, and other public amenities (such as governmental structures) is accelerating quickly. This rise in construction activity immediately affects the need for ornamental building construction methods that are environmentally friendly, which raises the demand for facade systems. This factor drives the Market CAGR.

Additionally, green building, or sustainable construction, focuses on environmentally responsible and resource-efficient structures throughout their lifecycle. These buildings offer benefits like energy savings, resource optimization, sustainability, and higher resale value. The increasing demand for green buildings is driving the growth of the facade systems market. Thus, driving the Facades market revenue.

## Facades Market Segment Insights

### • Facades Product Insights

Based on Product, the Facades market segmentation includes ventilated and non-ventilated. The ventilated segment dominated the market because they offer excellent thermal insulation properties, which help reduce energy consumption and maintain comfortable indoor temperatures. They also provide effective moisture management, preventing moisture accumulation and reducing the risk of structural damage caused by water infiltration.



### • Facades Material Insights

The Facades market segmentation, based on Material, includes glass, wool, aluminum, and others. The glass segment dominated the market; due to its modern appearance, ability to maximize natural light, energy efficiency, design versatility, and the creation of a seamless connection with the surroundings.

### • Facades End-user Insights

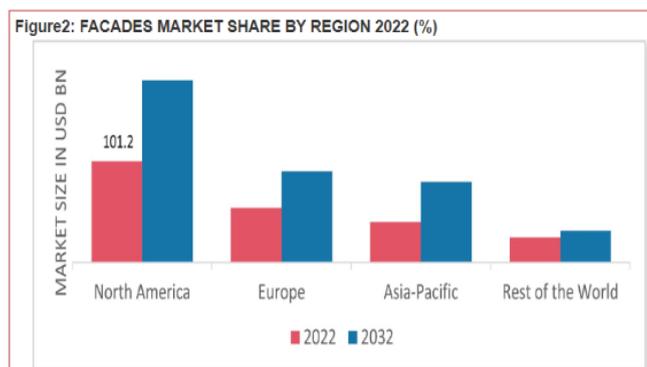
Based on end-user, the Facades market segmentation includes Residential, Commercial, and Industrial. The commercial sector dominates the facades market due to its emphasis on design, functional requirements, financial capacity, and commercial building growth.

### • Facades Regional Insights

The North American facades market will dominate due to increased investments in research and development of advanced materials. These investments drive the market's expansion and foster innovation in the Region, leading to accelerated market growth.

The Europe Facades market accounts for the second-largest market share due to the increasing number of construction projects backed by robust investments in commercial and residential construction in this Region. Further, the German Facades market held the largest market share, and the UK Facades market was the fastest-growing market in the European Region.

The Asia-Pacific Facades Market is expected to grow fastest from 2023 to 2032. This is due to low-cost labor and cheap availability of land. Due to this, construction activities are increasing, which helps to increase the demand for facade systems. Moreover, China's Facades market held the largest market share, and the Indian Facades market was the fastest-growing market in the Asia-Pacific region.



### Facades market competitive insights:

Leading market players are investing heavily in research and development to expand their product lines, which will help the Facades market grow even more. Market participants are also undertaking various strategic activities to expand their footprint, with important market developments including new product launches, contractual agreements, mergers and acquisitions, higher investments, and collaboration with other organizations. The facades industry must offer cost-effective items to expand and survive in a more competitive

and rising market climate.

Manufacturing locally to minimize operational costs is one of the key business tactics manufacturers use in the Facades industry to benefit clients and increase the market sector. The Facades industry has offered some of the most significant advantages in recent years.

(Source: <https://www.marketresearchfuture.com/reports/facades-market-7076>)

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## INDIAN FAÇADE MARKET

The India facade market size reached US\$ 2,855.4 Million in 2023. Looking forward, the market is expected to reach US\$ 5,431.9 Million by 2032, exhibiting a growth rate (CAGR) of 7.18% during 2024-2032.

### **Factors Affecting the Growth of the India Facade Industry:**

- **Increasing Urbanization and Real Estate Development**

The India facade industry is currently experiencing significant growth, primarily driven by the rapid pace of urbanization and the expansion of real estate development across the country. With more people moving to urban areas, there is a growing demand for commercial and residential buildings, which directly stimulates the facade industry. This trend is particularly visible in major cities and emerging urban centers, where high-rise buildings and modern architecture are becoming increasingly prevalent. The development of smart cities, an initiative by the Indian government, further propels market growth. These urban projects demand advanced facade solutions for aesthetic appeal, energy efficiency, and sustainability, leading to a rise in both innovation and demand within the facade sector.

- **Continuous Technological Advancements and Innovation**

Technological advancements are another crucial factor positively influencing the growth of the India facade industry. As the market evolves, there is an increasing demand for high-performance materials, innovative designs, and energy-efficient solutions. The integration of technology such as digital modeling, automated fabrication, and advanced material processing is also transforming the way facades are designed and constructed. These technologies enable the creation of more complex, durable, and environmentally friendly facade systems. Additionally, the adoption of green building practices and the push for sustainable construction methodologies are driving the demand for technologically advanced facade solutions that can contribute to energy savings and environmental conservation.

- **Government Regulations and Environmental Concerns**

Government regulations and environmental concerns are significantly impacting the growth of the India facade industry. The Indian government has been implementing stricter building codes and regulations focused on energy efficiency, safety, and sustainability. These regulations mandate the use of high-quality facade materials and promote the adoption of green building practices. Besides this, there is a growing awareness and concern regarding the environmental impact of construction activities, leading to a heightened demand for eco-friendly facade materials and sustainable construction practices. The industry is responding by developing innovative facade solutions that meet regulatory requirements and contribute to reducing the carbon footprint of buildings, thus playing a vital role in the sustainable development of the urban landscape.

### **India Facade Market Report Segmentation:**

#### **By Product Type:**

- Ventilated
- Non-Ventilated
- Others

Ventilated dominates the market by product type due to its ability to enhance energy efficiency and thermal comfort in buildings, which is increasingly valued in India's diverse and often extreme climatic conditions.

#### **By Material:**

- Glass

- Metal
- Plastic and Fibres
- Stones
- Others

Glass holds the largest market share owing to its aesthetic appeal and functionality, offering natural lighting, energy efficiency, and a modern look, which aligns with the contemporary architectural trends in India.

**By End User:**

- Commercial
- Industrial
- Residential

Commercial represents the largest market segment on account of the rapid growth of commercial real estate, including office spaces, shopping malls, and hospitality buildings, where facade aesthetics and functionality are key considerations.

**Regional Insights:**

South India's dominance in the India facade market is attributed to the region's robust economic growth, significant investments in infrastructure, and the presence of numerous IT hubs and business centers, leading to increased construction of commercial and high-rise residential buildings.

**India Facade Market Trends:**

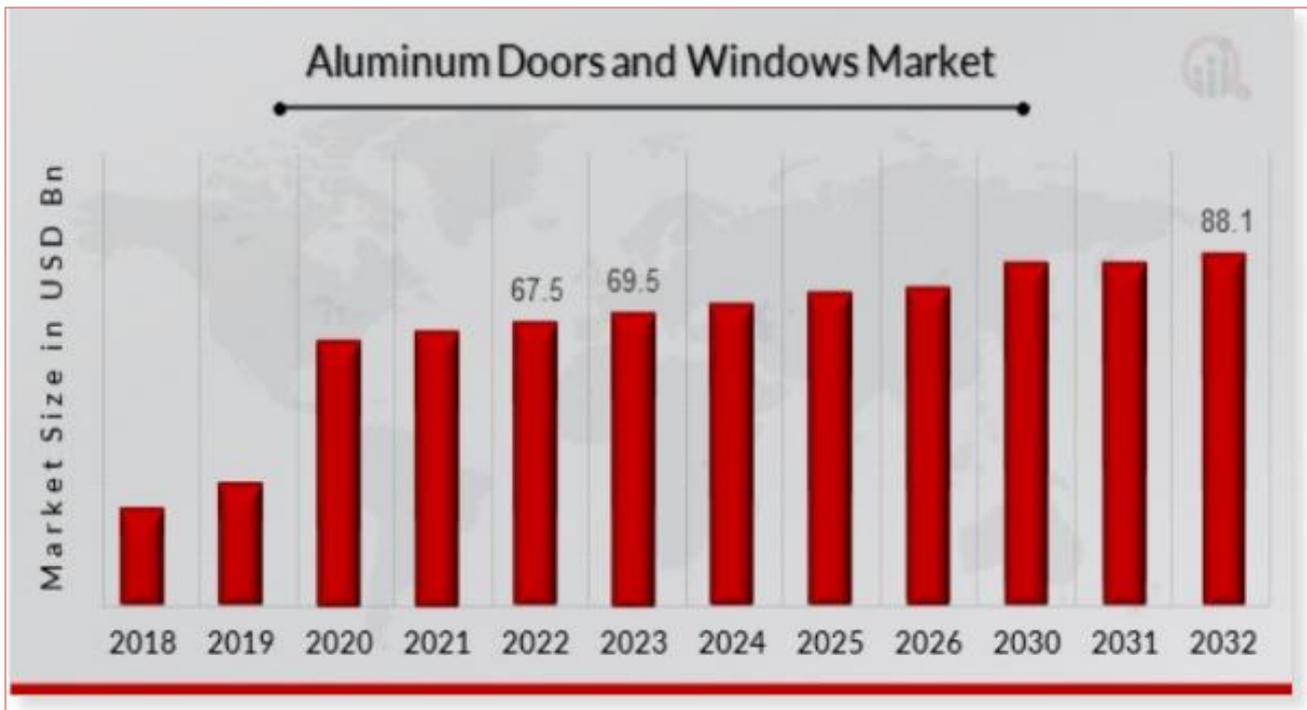
The India facade market is currently witnessing a dynamic shift characterized by the increasing adoption of sustainable and energy-efficient facade materials. With rapid urbanization and the growing emphasis on green building norms across the country, there is a notable trend toward using advanced, eco-friendly materials like high-performance glass and composites. In line with this, ongoing technological innovations, particularly in digital design and prefabrication, are enabling more complex and aesthetically pleasing facade designs, thus contributing to market growth. Additionally, the rising product demand in the retrofitting of old buildings with modern facade systems, largely influenced by environmental concerns and regulatory policies promoting energy efficiency, is favouring market growth.

(Source: <https://www.digitaljournal.com/pr/news/imarc/india-facade-market-research-report-and-forecast-2024-2032>)

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## GLOBAL ALUMINUM DOORS AND WINDOWS INDUSTRY

Aluminum Doors and Windows Market Size was valued at USD 67.5 Billion in 2022. The Aluminum Doors and Windows market Product is projected to grow from USD 69.5 Billion in 2023 to USD 88.1 Billion by 2032, exhibiting a compound annual growth rate (CAGR) of 3.00% during the forecast period (2023 - 2032). Due to the significant financial investments being made in building construction projects and the rising quantity of construction projects, are the key market drivers enhancing the market growth.



### Market Trends:

- **The high investments being made in the building construction projects is driving the market growth.**

Enhanced security, weatherproofing, soundproofing, and light weight are all features of aluminum doors and windows. Particularly in the housing markets of developing regions like the Asia-Pacific and Latin America, aluminum doors and windows are in high demand. This is because these areas are seeing significant financial investments in building construction projects. Additionally, since the majority of these places are tropical, aluminum doors and windows work well there due to its built-in weatherproofing function. Additionally, due to an increase in disposable income and the exponential growth in the price of new homes, the home remodeling industry is experiencing a boom in all developed nations in regions like Europe and North America. These elements have increased demand for aluminum windows and doors. Additionally, the growing house remodeling and construction industries have a beneficial impact on the aluminum window and door market. In order to satisfy consumer expectations, major producers of aluminum doors and windows also provide a wide range of goods and services. This supports producers' efforts to maintain market competitiveness.

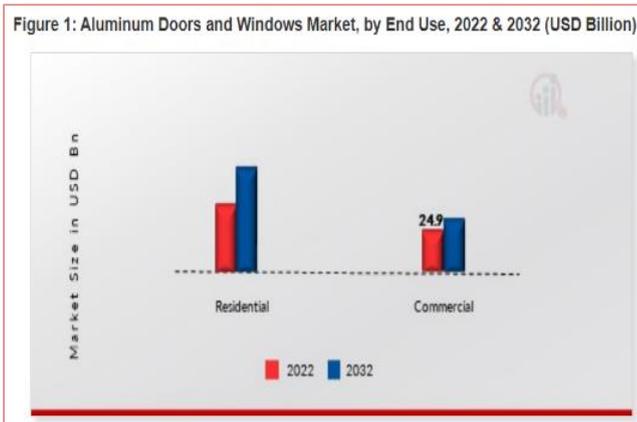
Construction projects are fueling the market expansion for aluminum windows and doors. building firms are using aluminum doors and windows for building because they are reliable, durable, and affordable as a result of the rise in construction projects. The aluminum doors and windows industry is changing as a result of product innovation. To improve their position, major players in the market for aluminum doors and windows are concentrating on developing new, cutting-edge goods.

**Market segment insights:**

- **Product Insights**

The Aluminum Doors and Windows market segmentation, based on Product, includes exterior doors, patio door, sliding window, and bi-fold window. Exterior door segment dominated the market in 2022. This can be ascribed to the strength and low-cost, simple maintenance of aluminum windows and doors.

- **End Use Insights**



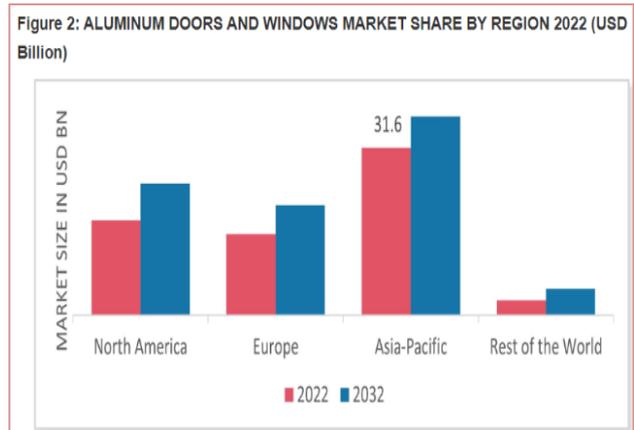
The Aluminum Doors and Windows market segmentation, based on End Use, includes residential and commercial. Commercial segment dominated the Aluminum Doors and Windows market in 2022. This results from the greater emphasis on sustainability. As a result of its smaller carbon footprint, aluminum doors and windows have seen a substantial increase in use. Additionally, the market is anticipated to develop as a result of the rising demand for aluminum windows and doors from the retail, hotel, and healthcare industries.

Over the forecast period, it is also expected that the residential segment will expand significantly. Gardening is becoming more popular among home owners as a leisure activity, which is expected to fuel the market's expansion. Moreover, the segment growth is being positively impacted by shifting lifestyles and growing urbanisation.

- **Regional Insights**

The Asia Pacific Aluminum Doors and Windows market dominated this market in 2022 (45.80%). Moreover, China's Aluminum Doors and Windows market held the largest market share, and the Indian Aluminum Doors and Windows market was the fastest growing market in the Asia-Pacific region.

The North America Aluminum Doors and Windows Market is expected to register significant growth from 2023 to 2032. In the context of the market, consumer awareness of energy- efficient and green constructions has significantly increased, as has early acceptance and government support. This has aided the growth of the regional market and, as a result, created an excellent level of competition and increased market size. Further, the U.S. Aluminum Doors and Windows market held the largest market share, and the Canada Aluminum Doors and Windows market was the fastest growing market in the North America region.



(Source: <https://www.marketresearchfuture.com/reports/aluminum-doors-and-window-market-10350>)

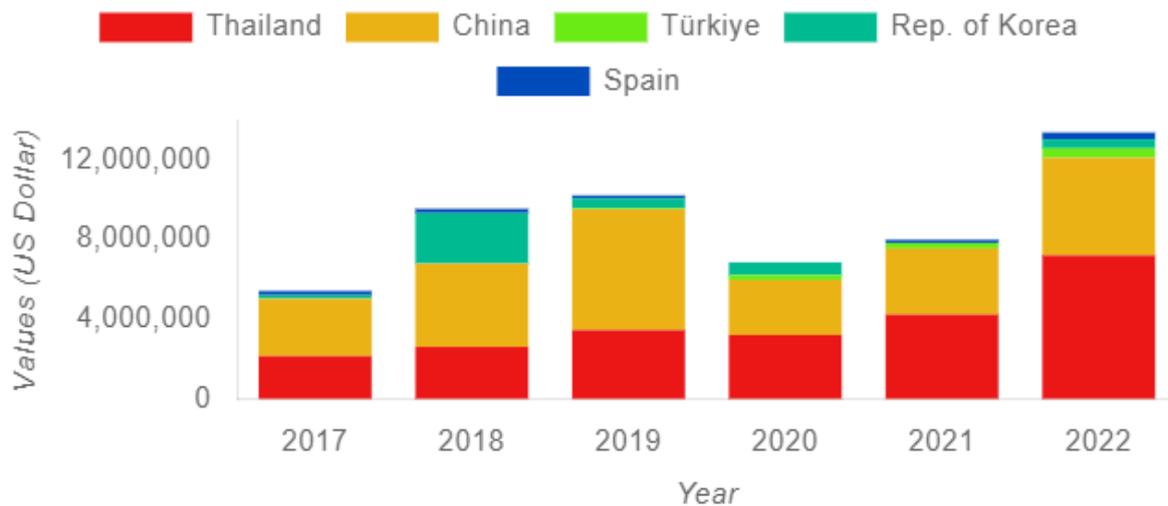
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## INDIAN ALUMINUM DOORS AND WINDOWS INDUSTRY

### Market Shipment Analysis:

India Aluminum Doors and Windows Market registered a growth of 54.53% in value shipments in 2022 as compared to 2021 and a decrease of -10.35% CAGR in 2022 throughout 2017.

Market Share Evolution of Exporting Countries in between 2017 & 2022 India Aluminum Doors And Windows Market



### Market Overview:

The India aluminum doors and windows market is experiencing growth as the construction and real estate sectors continue to expand. Aluminum doors and windows are preferred for their durability, aesthetics, and energy efficiency. They are increasingly used in residential and commercial buildings.

### Drivers of the Market:

The India aluminum doors and windows market is primarily driven by the construction and real estate sector. The demand for energy-efficient and aesthetically pleasing building components has fueled the growth of aluminum doors and windows. They offer durability, low maintenance, and corrosion resistance, making them a preferred choice for modern construction. Government initiatives promoting affordable housing and urban development are also stimulating market growth.

### Challenges of the Market:

The India Aluminum Doors and Windows market faces challenges related to quality standards, energy efficiency requirements, and competition from alternative building materials.

### COVID-19 Impact on the Market:

The India Aluminum Doors and Windows market was influenced by the slowdown in construction and infrastructure projects during the pandemic. As construction activities resumed, the market started to recover.

(Source: <https://www.6wresearch.com/industry-report/india-aluminum-doors-and-windows-market-outlook>)

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## GLOBAL INFRASTRUCTURE INDUSTRY

The global infrastructure sector is poised for substantial growth, with the market estimated at USD 2.57 trillion in 2023 and projected to reach USD 3.48 trillion by 2028, boasting a commendable compound annual growth rate (CAGR) of 6.27% during the forecast period from 2023 to 2028. Several significant factors and trends are contributing to this robust market expansion.

### Key Highlights:

- **Pandemic Impact:** The COVID-19 pandemic had severe negative effects on economies, leading to reduced infrastructure usage rates and shortfalls in financing and maintenance. However, governments and businesses are now prioritizing infrastructure investments to stimulate economic recovery and growth.
- **Sustainable Infrastructure:** The global shift towards sustainable infrastructure necessitates collaboration and innovation. Public-private partnerships, innovative financing instruments, and regulatory frameworks will play crucial roles in advancing sustainable infrastructure projects.
- **Technology Adoption:** Infrastructure is embracing advanced technologies such as artificial intelligence, robotics, and intelligent drones. These technologies are expected to enhance efficiency, reduce costs, and improve safety in the sector. Cloud technology adoption is also growing, driving demand for data transmission and storage assets.

### Market Trends:

- **Asia-Pacific Investment:** The Asia-Pacific region is witnessing substantial infrastructure investment, driven by pandemic recovery and stimulus packages. FDI inflows to Asia-Pacific remained resilient throughout the pandemic, making the region an attractive destination for international investments. India, in particular, has attracted significant foreign direct investment (FDI) inflows.
- **India's Infrastructure Growth:** India's infrastructure sector is a vital driver of economic growth, improving manufacturing competitiveness and overall growth. The government's initiatives, including the National Infrastructure Pipeline (NIP), aim to accelerate infrastructure projects by minimizing delays, reducing complexities, and enhancing transparency.
- **Challenges in the Sector:** Infrastructure-related challenges include land acquisition policies, implementation delays, and project overruns due to bureaucratic delays. However, governments are actively addressing these issues to expedite infrastructure projects.
- **Pandemic Challenges:** The COVID-19 pandemic exacerbated budget gaps in infrastructure, particularly in regions where budgets were already strained. Infrastructure spending declined, with a focus on maintenance rather than new projects. International-sponsored projects were severely impacted, with supply chain disruptions affecting the construction industry.

(Source: <https://finance.yahoo.com/news/global-infrastructure-sector-poised-remarkable-141500084.html>).

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## INDIAN INFRASTRUCTURE INDUSTRY

### Introduction

Infrastructure is a key enabler in helping India become a US \$26 trillion economy. Investments in building and upgrading physical infrastructure, especially in synergy with the ease of doing business initiatives, remain pivotal to increase efficiency and costs. Prime Minister Mr. Narendra Modi also recently reiterated that infrastructure is a crucial pillar to ensure good governance across sectors.

The government's focus on building infrastructure of the future has been evident given the slew of initiatives launched recently. The US\$ 1.3 trillion national master plan for infrastructure, Gati Shakti, has been a forerunner to bring about systemic and effective reforms in the sector, and has already shown a significant headway.

The "Smart Cities Mission" and "Housing for All" programmes have benefited from these initiatives. Saudi Arabia seeks to spend up to US\$ 100 billion in India in energy, petrochemicals, refinery, infrastructure, agriculture, minerals, and mining.

Infrastructure sector includes power, bridges, dams, roads, and urban infrastructure development. The infrastructure sector acts as a catalyst for India's economic growth as it drives the growth of the allied sectors like townships, housing, built-up infrastructure, and construction development projects.

### Market Size

In Budget 2023-24, capital investment outlay for infrastructure is being increased by 33% to Rs.10 lakh crore (US\$ 122 billion), which would be 3.3 per cent of GDP. As per the Union Budget 2023-24, a capital outlay of Rs. 2.40 lakh crore (US\$ 29 billion) has been provided for the Railways, which is the highest ever outlay and about 9 times the outlay made in 2013-14.

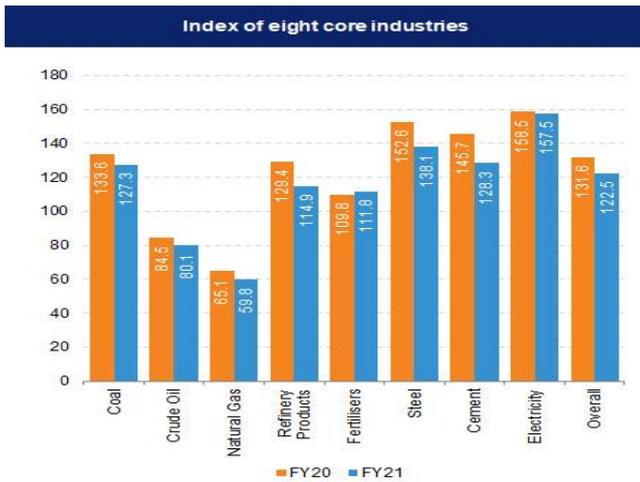
Started with 6,835 projects, the NIP project count now stands at 9,142 covering 34 sub-sectors, as per news reports. Under the initiative, 2476 projects are under development phase with an estimated investment of US\$ 1.9 trillion. Nearly half of the under-development projects are in the transportation sector, and 3,906 in the roads and bridges sub-sector.

India's logistics market is estimated to reach US\$ 410.75 billion in 2022 and is expected to reach US\$ 556.97 billion by 2027, growing at a CAGR of 6.28%. India intends to raise its ranking in the Logistics Performance Index to 25 and bring down the logistics cost from 14% to 8% of GDP, leading to a reduction of approximately 40%, within the next five years.

In December 2022, AAI and other Airport Developers have targeted capital outlay of approximately Rs. 98,000 crore (US\$ 11.8 billion) in airport sector in the next five years for expansion and modification of existing terminals, new terminals and strengthening of runways, among other activities.

India currently has the fifth-largest metro network in the world and will soon overtake advanced economies such as Japan and South Korea to become the third-largest network. Metro rail network reached 810 kms and is operational in 20 cities as of September 2022. At almost 20 kms, Mumbai monorail is the third largest route in the world after China with 98 kms and Japan with 28 kms.

India plans to spend US\$ 1.4 trillion on infrastructure through 'National Infrastructure Pipeline' in the next five years.



India is expected to become the third-largest construction market globally by 2022. Indian logistics market is estimated to touch US\$ 320 billion by 2025. The overall infrastructure capex is estimated to grow at a CAGR of 11.4% over 2021-26 driven by spending on water supply, transport, and urban infrastructure. Investment in infrastructure contributed around 5% of the GDP in the tenth five-year plan as against 9% in the eleventh five-year plan. Further, US\$ 1 trillion investment in infrastructure was proposed by the India’s planning commission during the 12th five-year plan, with 40% of the funds coming from the private sector.

### Road Ahead

The infrastructure sector has become the biggest focus area for the Government of India. India plans to spend US\$ 1.4 trillion on infrastructure during 2019-23 to have a sustainable development of the country. The Government has suggested investment of Rs. 5,000,000 crore (US\$ 750 billion) for railways infrastructure from 2018-30. India's GDP is expected to grow by 8% over the next three fiscal years, one of the quickest rates among major, developing economies, according to S&P Global Ratings. India and Japan have joined hands for infrastructure development in India's Northeast states and are also setting up an India-Japan Coordination Forum for development of Northeast to undertake strategic infrastructure projects for the region.

India being a developing nation is set to take full advantage of the opportunity for the expansion of the infrastructure sector, and it is reasonable to conclude that India's infrastructure has a bright future ahead of it.

(Source: <https://www.ibef.org/industry/infrastructure-sector-india>)

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## GLOBAL REAL ESTATE INDUSTRY

Real estate refers to the process of building, renting, buying, and selling properties, both residential and commercial. Developers earn a profit by adding value to the land by creating buildings or improvements, and rezoning. The real estate agencies are responsible for guiding the buyer through all the related paperwork.

The main types of real estate are real estate rental, real estate agency, and brokerage. Renting real estate, also referred to as hiring or letting, is a contract in which a fee is paid in exchange for the temporary use of a good, service, or property that belongs to someone else. The different modes include online, and offline and involve various property types such as fully furnished, semi-furnished, and unfurnished.

The real estate market size has grown strongly in recent years. It will grow from \$4016.66 billion in 2023 to \$4314.99 billion in 2024 at a compound annual growth rate (CAGR) of 7.4%. The growth in the historic period can be attributed to strong economic growth in emerging markets, increased demand for affordable housing, government initiatives and rise in disposable incomes.

The real estate market size is expected to see strong growth in the next few years. It will grow to \$5667.94 billion in 2028 at a compound annual growth rate (CAGR) of 7.1%. The growth in the forecast period can be attributed to increasing investments in infrastructure, an increasing population, increasing urbanization and fall in interest rates. Major trends in the forecast period include focus on use of blockchain for easy transferability and greater customer control over property, use of data analytics to gain insights into market trends, pricing, and customer preferences, integration of augmented reality and virtual reality in real estate, use of artificial intelligence (AI) technology that assists in developing projections for rental prices and determining house prices, and alternative payment methods to offer customers the ability to pay their rent on credit.

- **Economic Stability Fuels Real Estate Market Growth**

The real estate market's growth will be aided by stable economic growth forecasted in many developed and developing countries. The International Monetary Fund (IMF) predicts that the global real GDP growth will be 3.6% from 2021 to 2023. Recovering commodity prices, after a significant decline in the historic period is further expected to aid the market growth. Developed economies are also expected to register stable growth during the forecast period. Additionally, emerging markets are expected to continue to grow slightly faster than developed markets in the forecast period. For instance, according to official data from the World Bank, the GDP of India increased to reach \$3173.40 billion in 2021, compared to \$2667.69 billion in 2020.

- **Construction Boom a Catalyst For Real Estate Market Growth**

The increasing demand for construction activities is expected to propel the growth of the real estate market going forward. The construction industry is a sector that involves a wide range of activities related to the construction, alteration, and repair of buildings, infrastructure, and industrial facilities. The real estate sector provides a steady stream of opportunities and projects for the construction industry, supporting its growth, innovation, and sustainability.

- **Navigating The Real Estate Sector Amidst The COVID-19 Pandemic**

The outbreak of COVID-19 disease (COVID-19) has acted as a massive restraint on the real estate market in 2020 as the need for services offered by these establishments declined due to lockdowns imposed by governments globally. COVID-19 is an infectious disease with flu-like symptoms including fever, cough, and difficulty in breathing. The virus was first identified in 2019 in Wuhan, Hubei province of the People's Republic of China, and spread globally including Western Europe, North America, and Asia. Steps by national governments to contain the transmission have resulted in a decline in economic activity with countries entering a state of 'lockdown' and the outbreak had a negative impact on businesses throughout 2020 and into 2021. However, it is expected that the real estate market will recover from the shock across the forecast period as it is a 'black swan event and not related to ongoing or fundamental weaknesses in the market or the global economy.

Asia-Pacific was the largest region in the real estate market in 2023. North America was the second-largest region in the real estate market. The regions covered in the real estate market report are Asia-Pacific, Western Europe, Eastern Europe, North America, South America, Middle East, Africa

(Source: <https://www.thebusinessresearchcompany.com/report/real-estate-global-market-report>)

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## INDIAN REAL ESTATE INDUSTRY

### Introduction

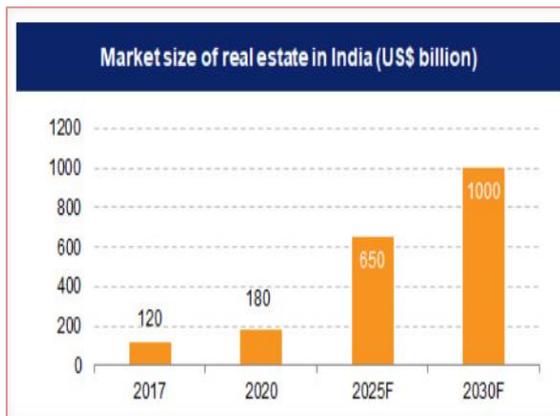
The real estate sector is one of the most globally recognized sectors. It comprises of four sub-sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth in the corporate environment and the demand for office space as well as urban and semi-urban accommodation. The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy.

In India, the real estate sector is the second-highest employment generator, after the agriculture sector. It was also expected that this sector will incur more non-resident Indian (NRI) investment, both in the short term and the long term. Bengaluru was expected to be the most favoured property investment destination for NRIs, followed by Ahmedabad, Pune, Chennai, Goa, Delhi and Dehradun.

### Market Size

By 2040, real estate market will grow to Rs. 65,000 crore (US\$ 9.30 billion) from Rs. 12,000 crore (US\$ 1.72 billion) in 2019. Real estate sector in India is expected to reach US\$ 1 trillion in market size by 2030, up from US\$ 200 billion in 2021 and contribute 13% to the country's GDP by 2025. Retail, hospitality, and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

India's real estate sector is expected to expand to US\$ 5.8 trillion by 2047, contributing 15.5% to the GDP from an existing share of 7.3%.



In FY23, India's residential property market witnessed with the value of home sales reaching an all-time high of Rs. 3.47 lakh crore (US\$ 42 billion), marking a robust 48% year-on-year increase. The volume of sales also exhibited a strong growth trajectory, with a 36% rise to 379,095 units sold.

Foreign investments in the commercial real estate sector were at US\$ 10.3 billion from 2017-2021. As per ICRA estimates, Indian firms were expected to raise >Rs. 3.5 trillion (US\$ 48 billion) through infrastructure and real estate investment trusts in 2022, as compared with raised funds worth US\$ 29 billion to date.

### Investments/Developments

Indian real estate sector has witnessed high growth in the recent times with rise in demand for office as well as residential spaces.

- The Private Equity Investments in India's real estate sector, stood at US\$ 4.2 billion in 2023.
- The Private Equity Investments in India's real estate sector, stood at US\$ 3.4 billion in 2022.
- India's real estate sector saw a three-fold increase in foreign institutional inflows, worth US\$ 26.6 billion during 2017-2022.
- The sale of luxury homes in India increased by 130% in the first half of 2023 compared to the corresponding period of the previous year. Between January-June 2023, 6,900 luxury homes costing Rs. 4 crore (US\$ 488,011.96) and above were sold, as opposed to 3,000 in 2022.

## **Government Initiatives**

Government of India along with the governments of respective States has taken several initiatives to encourage development in the sector. The Smart City Project, with a plan to build 100 smart cities, is a prime opportunity for real estate companies. Below are some of the other major Government initiatives:

- In the Union Budget 2023-24, the Finance Ministry announced a commitment of Rs. 79,000 crore (US\$ 9.64 billion) for PM Awas Yojana, which represents a 66% increase compared to the last year.
- In October 2021, the RBI announced to keep benchmark interest rate unchanged at 4%, giving a major boost to the real estate sector in the country. The low home loan interest rates regime was expected to drive the housing demand and increase sales by 35-40% in the festive season in 2021.

## **Road Ahead**

The Securities and Exchange Board of India (SEBI) has given its approval for the Real Estate Investment Trust (REIT) platform, which will allow all kind of investors to invest in the Indian real estate market. It would create an opportunity worth Rs. 1.25 trillion (US\$ 19.65 billion) in the Indian market in the coming years. Responding to an increasingly well-informed consumer base and bearing in mind the aspect of globalisation, Indian real estate developers have shifted gears and accepted fresh challenges. The most marked change has been the shift from family-owned businesses to that of professionally managed ones. Real estate developers, in meeting the growing need for managing multiple projects across cities, are also investing in centralised processes to source material and organise manpower and hiring qualified professionals in areas like project management, architecture and engineering.

The residential sector was expected to grow significantly, with the central government aiming to build 20 million affordable houses in urban areas across the country by 2022, under the ambitious Pradhan Mantri Awas Yojana (PMAY) scheme of the Union Ministry of Housing and Urban Affairs. Expected growth in the number of housing units in urban areas will increase the demand for commercial and retail office space.

(Source: <https://www.ibef.org/industry/real-estate-india>)

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## **OUR BUSINESS**

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Draft Red Herring Prospectus. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read “Risk Factors” on page 26 for a discussion of the risks and uncertainties related to those statements, as well as “Financial Statements as restated” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 196 and 248 respectively, 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. Unless otherwise stated, the financial information used in this section is derived from our Restated Financial Statements.

Our Company was incorporated as a Private Limited Company under the Companies Act, 1956 in the name and style of “Aesthetik Engineers Private Limited” bearing Certificate of Incorporation Number U74210WB2008PTC124716 issued by the Registrar of Companies, Kolkata dated April 02, 2008 upon takeover of the existing partnership firm namely “M/s Aesthetik”. Further, our Company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra-Ordinary General Meeting held on December 18, 2023 and the name of our Company changed from “Aesthetik Engineers Private Limited” to “Aesthetik Engineers Limited” & Registrar of Companies, Kolkata issued a new certificate of incorporation consequent upon conversion dated January 24, 2024, bearing CIN U74210WB2008PLC124716.

Our Company is engaged in the business of designing, engineering, fabrication and installation of facade systems. Our portfolio includes Building facades, Aluminium Doors and Windows, Railing and Staircase and Glassfibre Reinforced Concrete (GFRC).

### ***About the Promoter***

Mr. Avinash Agarwal is the Promoter & Managing Director of the Company, who started his journey in the year 2003 with a partnership firm, in the name of “M/s Aesthetik”. He has an experience of more than two decades in the facade industry. His experience in the facade industry provides us the competitive edge in the market. He is the guiding force behind the success of the Company, and with his guidance and commitment, our company has been able to grow manifold.

### ***Journey so far***

In the year 2003, our business was established as a partnership firm under the legal entity name "Aesthetik." Our primary focus during this period was centred on interior decoration services.

Further in 2007, we expanded our operations into a new segment, encompassing the design, fabrication, and installation of architectural facade, doors & windows, as well as railing and Glassfibre Reinforced Concrete (GFRC).

Responding to the growth and evolving structure of our enterprise, in 2008, the partnership firm was formally converted into a private limited company, adopting the name "Aesthetik Engineers Private Limited." This transition marked a pivotal step in our organizational development, providing a more structured and legally defined framework for our expanding business activities.

## **OUR BUSINESS OVERVIEW**

Our Company is engaged in the business of designing, engineering, fabrication and installation of facade systems. Our portfolio includes building facades, Aluminium Doors and Windows, Railing and Staircase and Glassfibre Reinforced Concrete (GRC). We offer a wide range of products and services to meet the demands of our customers who belong to various industries such as Hospitality, Residential, Commercial, and Infrastructure Projects. We execute end to end solution of our offerings i.e, from designing of façade to installation of facade at the site.

Our Company's registered office is situated at Kolkata from where we conduct our business operations smoothly. Further, we have a factory situated at Howrah, Kolkata, and is spread over the 3,000 square meter, which is being used for the fabrication and assembly of our products with emphasis on quality and performance which are resistant against Heat, UV rays, rains, dust, noise and other substance.

Over the years we have executed various projects for the various reputed clients from different industries. We have offered our services to various construction projects including commercial complex, residential building, airports, and Malls in various states such as West Bengal, Bihar, Maharashtra, Assam, Odisha and Gujarat.

We have various recognized suppliers from domestic and international market to fulfil our raw material supplies, and we have been able to secure timely supply of required materials for our existing operations.

Our Company has a standard operating process for design, fabrication and installation of our products and services, adherence to these standardized protocols ensures consistency, quality control, and efficiency throughout the entire lifecycle of facade development, thereby facilitating the attainment of project objectives and client satisfaction.

We have in-house capabilities and proficiency in engineering, design, fabrication, material development coupled with a range of finishing and assembly operations focussed on continuous improvements of fabrication and other processes' quality. We believe our process design capabilities and more than two decades of experience in the façade industry enable us to develop high quality and cost-effective solutions, which differentiates us from our global competitors. Our entire range of offerings conforms to National and International Standards as well as commercial market demands.

## **OUR COMPANY VISION**

To be a globally recognized leader in providing innovative and sustainable façade solutions, aluminium doors and windows, GFRC and Solar EPC. We aspire to redefine architectural aesthetics while prioritizing environmental responsibility and fostering long-lasting partnerships with our clients.

## **OUR COMPANY MISSION**

Our mission is to revolutionize the architectural landscape by providing innovative, sustainable, and aesthetically pleasing solutions in windows, glass, facade, and GFRC. We are committed to exceeding client expectations through excellence in design, engineering, and construction, while prioritizing safety, sustainability, and customer satisfaction.

## OUR OFFERINGS

Our Company is involved in the designing, engineering, fabrication and installation of façade systems, Doors and Windows, Railing and Staircase and Glassfibre Reinforced Concrete. We are committed to deliver quality product by stringent quality checks in all stages from pre-sales to delivery.

The detailed list of the products or services we offer are as follows:

### 1. Facade

Facade is the front face or exterior of building. It represents the architectural style and design of the building visible from the outside. We offer following services under the facade:

- **Structural Glazing/ Curtain Wall**

This Structural glazing curtain wall is a type of building envelope system that uses glass panels as the primary structural component. This type of curtain wall is designed to provide a sleek, modern, and transparent appearance to the exterior of a building. This system is bonded to a structure that sustains without any use of gasket aluminium pressure caps or plates.



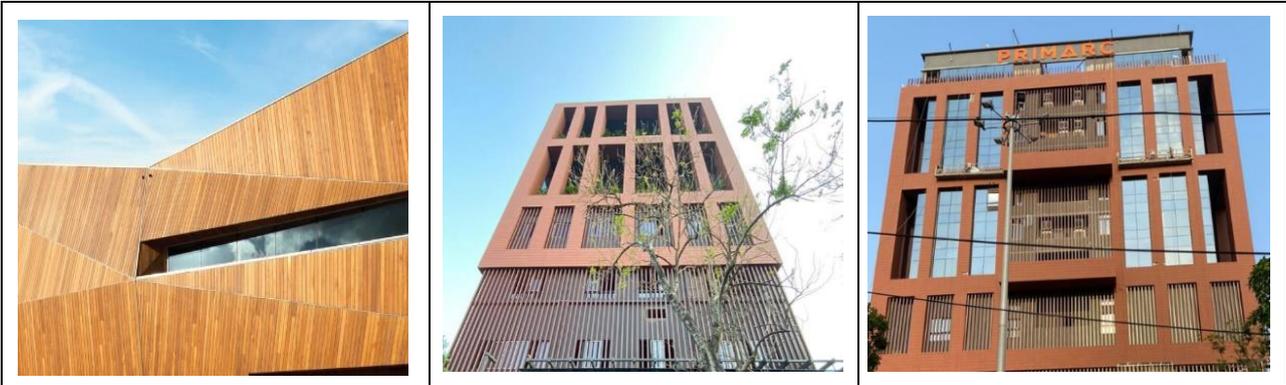
- **Spider Glazing**

The term "spider" in Spider Glazing refers to the spider fittings or point-fixing connectors that are used to support and connect glass panels. Spider Glazing is one and only option for you to make a larger opening entrance for your commercial or residential buildings. In fact, maximum concepts of exterior designs can only be executed with the use of this Structural Spider Glazing process.



- **ACP/ HPL / Stone Cladding**

It is the application of a thin layer of natural stone or simulated stone material to the exterior or interior of a building or structure. This technique is used to achieve the appearance of a solid stone surface without the need for a full-depth masonry construction. Stone cladding is popular for its aesthetic appeal, durability, and versatility.



- **Aluminium Louvers**

Aluminium louvers are a type of architectural feature used in building design to provide ventilation, control the entry of natural light, and enhance the overall aesthetic of a structure. Louvers are designed as a series of horizontal or vertical slats or fins made from aluminum, a lightweight and durable metal. These slats are arranged to allow for the passage of air and light while offering some degree of privacy and protection from elements.



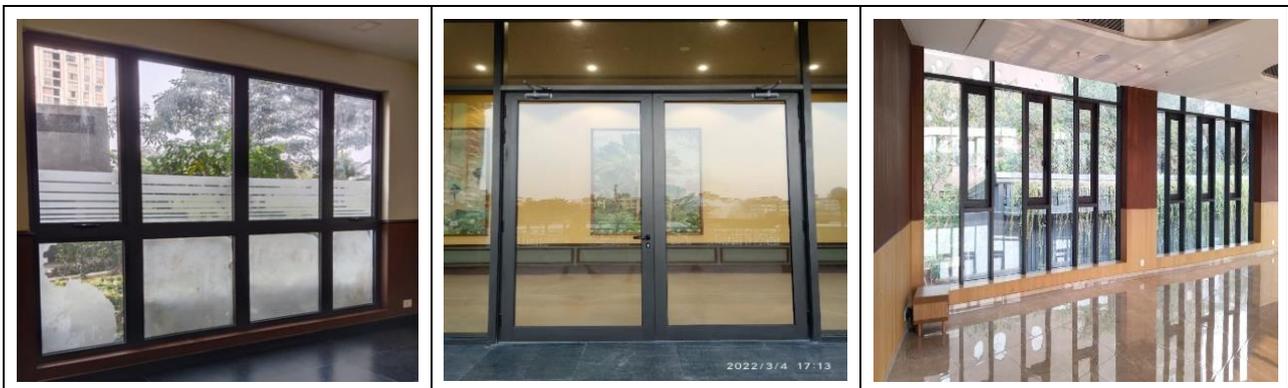
- **Canopy / Skylight / Dome**

These are the architectural element that serves as an overhead covering or shelter, typically attached to the exterior of a building or freestanding in outdoor spaces. They provide protection from the elements, offer shade, and enhance the aesthetics of a structure. A skylight is a window or opening in the roof of a building, designed to allow natural light to enter the interior space.



## 2. Doors and Windows

Our Company is also engaged in supplying of products and services for the designing and installation of the doors and windows.



## 3. Railing and staircase

We are also engaged in supplying of services for the designing and installation of the railing and staircase.

A railing is a protective barrier or fence typically installed along the edges of stairs, balconies, decks, terraces, or other elevated surfaces. Railings come in various styles, materials, and designs, serving both practical and aesthetic functions.

A staircase is a structure designed to provide a means of vertical movement between different levels of a building or structure. Often both railing and staircase go hand in hand, and these are integral part in the building design.



#### 4. Glassfibre Reinforced Concrete (GFRC)

Glassfibre Reinforced Concrete (GFRC) is a composite material made of cement, fine aggregates, glass fibers, and other additives. It is a lightweight yet strong material that is often used in construction for various architectural and decorative applications. The addition of glass fibers to the concrete mix enhances its tensile strength and flexibility.



#### PLACE OF BUSINESS OF THE COMPANY

The Company is engaged in designing, engineering, fabrication, and installation of façade systems. Our company carryout these activities from our registered offices and other place of businesses, details of which are as following:

S. N.	Particulars	Address
1.	Registered Office	1858/1, 5th Floor, Unit 503-505, Acropolis Mall, Rajdanga Main Road, Kasba, Kolkata, West Bengal-700107, India
2.	Factory	Plot No. 3108, Hanuman Complex, Ranihati Amta Road, PO- Islampur, Howrah- 711401

*Note: For detailed information of above-mentioned places of business please refer “Land & Properties” in section “Our Business” on page no. 129 of this Draft Red Herring Prospectus.*

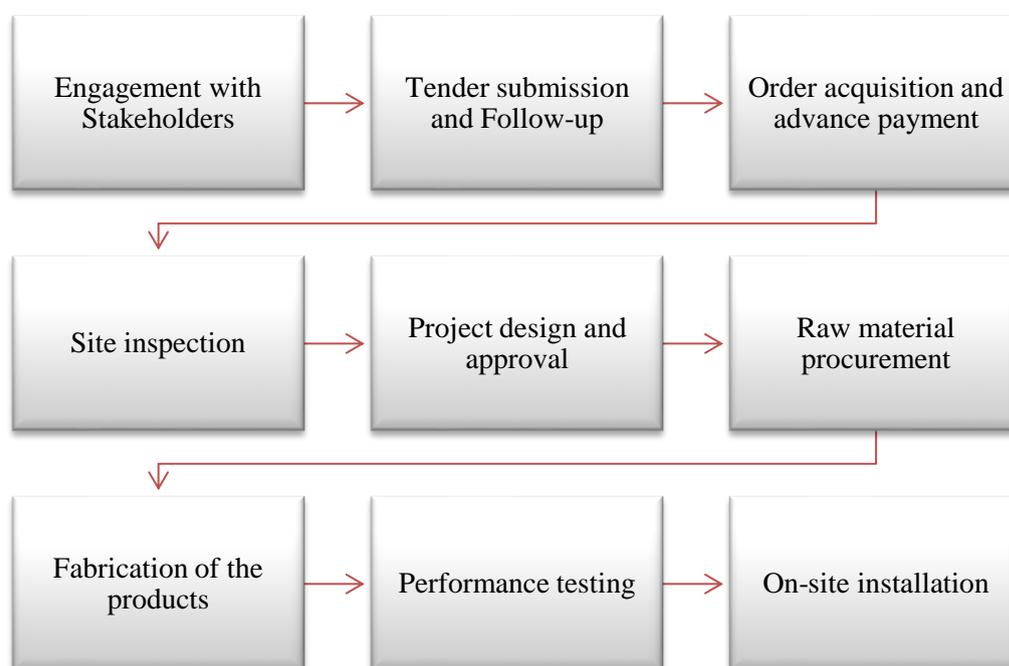
#### PLANT & MACHINERY

To maintain quality of our product and services, we have installed quality machinery at our factory. We have a range of machines to carry out our business process. The details of machines are as follows:

S. N.	Description of Machines	Model/ Serial No.	Quantity (Nos)	Capacity	Date of Purchase
1.	Junior CNC	Junior CNC-C & CNC Machining Center	1	15 Kw	October 03, 2020
2.	Double head cutting machine	Atlas Digit 5 Mtrs	1	3.8 Kw	October 03, 2020
3.	Sawing Machine	Panda 400 S/Head Sawing Machine from Fom, Italy	1	2.2 Kw	August 14, 2018
4.	Milling Machine	Jet End Milling Machine from Fom, Italy	1	1.5 Kw	August 14, 2018
5.	Routing Machine	Calco Copy Router from Fom, Italy	1	0.75 Kw	August 14, 2018
6.	Dedicated Punching Machine	260 S	1	-	August 09, 2018
7.	Dedicated Punching Machine	370 S	1		August 09, 2018

8.	Dedicated Punching Machine	4500 C	1		August 24, 2018
9.	Air Compressor	Curtis Make Screw Compressor	1	22.5 KW	July 31, 2019
10.	Grc Spray Machine	-	1	3 Kw	November 22, 2019
11.	Grc Mixture Machine	-	1	2.2 Kw	November 22, 2019
12.	Cradles- Suspended Platform	7.5 MT Platform/ 175 mt lifting height	12	-	July 17, 2015
13.	Sheet Bending Machine	8ft x 10 Swg Hand Operated sheet	1	3 Kw	October 19, 2022

## OUR BUSINESS PROCESS



The brief of our business process are as follows:

- **Engagement with Stakeholders**

Our marketing team engages in interactions with builders, architects, and infrastructure companies, sourcing information through diligent research and other channels to identify potential opportunities, including tenders.

- **Tender bidding as per the requirements:**

We diligently prepare and submit tenders in accordance with specified requirements, subsequently maintaining ongoing communication and follow-up efforts to ascertain the status of submitted tenders.

- **Order Acquisition and Advance Payment:**

We secure order through tender approval or direct customer engagement through our website, where they can approach us directly.

Upon acceptance of an order, the Company is entitled to request and receive an advance payment from the customer as a precondition for commencing project execution. The quantum of the advance payment is depend

upon the overall value of the project, typically falling within a range of 10-15% of the total project value. The specific percentage is to be determined through mutual agreement and expressly stipulated in the formal contractual arrangement between the parties.

- **Site inspection:**

Following order acquisition, we conduct site visits to inspect project sites, capturing essential details such as site dimensions and conditions.

- **Project Design and Approval:**

After conducting site inspections, we draft project designs using the data collected during site inspections, Once the initial designs are drafted, they are presented to the client for review and feedback, for seeking the client approval before proceeding further.

- **Raw Material Procurement**

Upon client approval, we engage in the lawful procurement of necessary raw materials, ensuring adherence to quality standards.

- **Fabrication of the product**

In this stage, we proceed with the constructing products by combining diverse, typically standardised parts. (need more explanation from management).

- **Performance testing:**

Post-fabrication, rigorous testing procedures conducted by NABL Accredited independent Testing Laboratory for Structural Load Tests, Air infiltration Tests, Seismic Tests, static and dynamic water penetration tests and other stringent test, are performed to verify compliance with prescribed standards.

- **On-site Installation:**

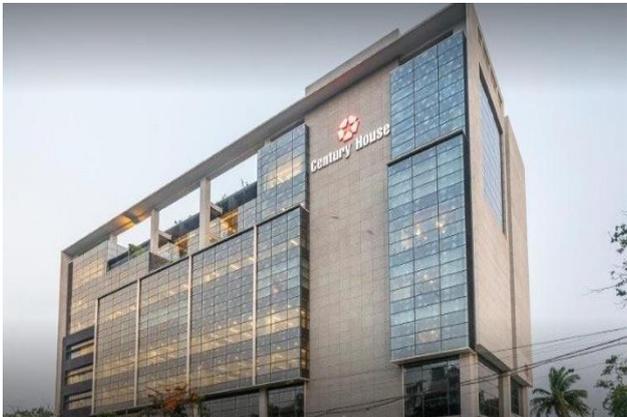
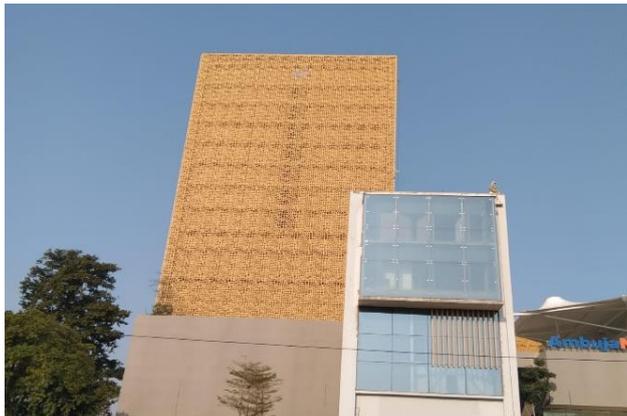
Upon successful testing, the fabricated and assembled products are professionally installed at the project site in accordance with design. Upon successful installation and client acceptance, documentation of the installation process is completed, including any relevant certificates, warranties, or maintenance instructions and project is handed over to the client for use.

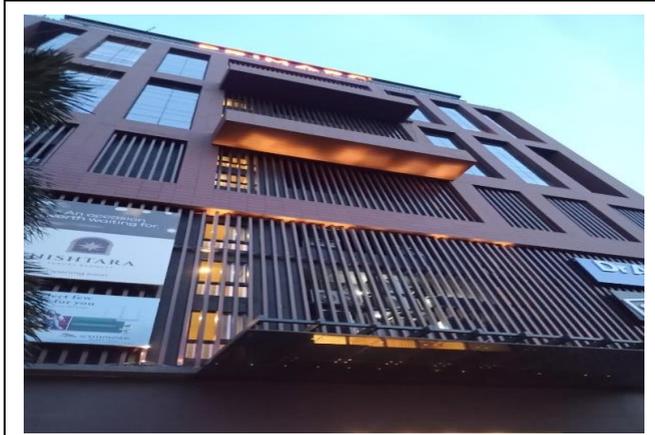
We employ a flexible project execution strategy, wherein we carry out a part of the activity at our factory and carry other part at the site itself depending upon the situation and the project requirements.

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**OUR MAJOR PROJECTS**

Here are snapshots of some of our projects which are completed:

	
<p>Coal India Limited, Head Office, Kolkata</p>	<p>Zee TV Regional Office (Siti Cable),</p>
	
<p>Century Plywood, Kolkata</p>	<p>Forum Esplanade, Bhubaneswar</p>
	
<p>Urbana, Anandapur, Kolkata</p>	<p>City Centre, Patna</p>



PRIMARC, Kolkata



Utalika, Kolkata

Here are snapshots of some of our projects which are ongoing:



Infosys, Kolkata



TATA 88, Kolkata



PETRAPOLE, Kolkata



Purti Meraki, Kolkata



## END USERS

We specialize in providing essential components for the Infrastructure Industry, catering to a diverse range of construction projects. Our offerings are integral to the development of Residential Complexes, Commercial Complexes, Hotels, and various other Infrastructure Projects.

## OUR COMPLETED PROJECTS:

*(Amount in Thousands)*

S. No.	Name and nature of work	Principal	Location of Work	Value	Year of Completion
1.	(Urbana: Residential Complex) Windows, Railings, Curtain Wall Glazing & ACP Cladding, GFRC Cladding	Bengal NRI Complex Ltd, Phase I & II	Kolkata	3,41,890.84	2015-2018
2.	(Utalika: Residential Complex) Curtain wall Glazing, Windows, Doors, GFRC, Canopy, Railing, ACP Cladding & Durock Board Cladding	SE Builders & Realtors Ltd., Phase I II III & IV	Kolkata	2,31,552.69	2019-2023
3.	(Siti Cable: Corporate Office) Semi Unitized Structural Glazing, ACP Cladding, Stone Cladding, Louvers, Window & Glass Canopy	Indian Cable Net Co. Ltd.	Kolkata	1,73,079.74	2018
4.	(Anassa & Hazelton: Residential Complex) Windows and Doors	P S Group Realty Pvt. Ltd	Kolkata	1,16,825.84	2022
5.	(Mindtree: Corporate Office) Structural Glazing, Spider Glazing, Louver, Window, Door, ACP Cladding, Glass Railings & Spider Glazing. Work	Mindtree Ltd, Phase I, II & III	Bhubaneswar	1,15,056.22	2016, 2018, 2021 & 2022
6.	(Coal India, Head Office) Structural Glazing & Window	Coal India Limited	Kolkata	1,04,526.40	2013
7.	(Taj Hotels: Hospitality) Curtain Wall Glazing, Windows,	Vistar Properties Pvt	Raichak Kolkata,	94,941.10	2012, 2020, 2022,

	Doors, Durock Board Cladding & Spider Glazing work	Ltd	Darjeeling, Gangtok		2023
8.	(City Centre Malls) Curtain Wall Glazing, Windows & Door	Utkarsh Sfatik Ltd	Raipur, Haldia, Siliguri & Patna	73,302.21	2013-2014 2017 2022
9.	(State Bank of Institute of Management) Structural Glazing & Aluminum Windows, Doors & ACP Cladding	Shapoorji Pallonji & Co. Pvt. Ltd.	Kolkata	52,435.41	2018
10.	(Forum Esplanade Mall) Windows, Doors, Curtain Wall Gazing, Louver, Glass Railing & Spider Glazing Work	Forum Projects Pvt. Ltd.	Bhubaneswar	61,171.41	2018

**OUR ONGOING PROJECTS:**

*(Amount in Thousands)*

S. No.	Name and nature of work	Principal	Contract Amount	Start date/ Work order	Estimated Completion Time
1.	(Infosys Kolkata Campus- Corporate Office) Structural Glazing & Aluminium Windows, Doors & Terracota Cladding	Infosys Limited	1,56,764.85	02.04.2023	30.04.2024
2.	(TATA 88 Housing- Residential Complex) Structural Glazing & Aluminium Windows, Doors	Kolkata One Excelton Pvt. Ltd.	1,57,729.46	26.07.2022	30.06.2024
3.	(Purti Meraki – Residential Complex) Curtain Wall Glazing, Windows, Door, Railing & Louver	Purti Realty Pvt. Ltd.	1,16,970.60	30.04.2021	31.05.2025
4.	(Medical College at Jind Haryana) Structural Glazing, Windows, Doors, ACP Cladding	Larsen & Toubro ltd, Haryana	1,13,923.61	15.01.2021	31.12.2024
5.	(Medical College and Hospital Jamshedpur) Structural Glazing, Windows, Doors, ACP Cladding	Larsen & Toubro ltd, Jamshedpur	1,01,534.12	02.05.2022	31.07.2024
6.	(HSCC Medical College) Structural Glazing, Windows & Door	Shapoorji Pallonji & Co. Pvt. Ltd. Maharastra	77,000.03	20.06.2021	30.04.2024
7.	(Urvisha- Residential Complex) Aluminium doors & windows & Railings.	Ambuja Housing and Urban Infrastructure	76,234.32	22.12.2023	31.12.2024

		Co Ltd			
8.	(USSHAR- Residential Complex) Aluminium doors & windows.	Riverbank Developers Private Limited	53,878.46	12/07/2023	30/08/2024
9	(PETRAPOLE – Land Port) Structural Glazing, Windows & Door	Shapoorji Pallonji & Co. Pvt. Ltd.	52,284.72	13.09.2023	30.9.2024
10.	(Gantok Residency) Window & Doors with GFRC System	MESASO Infrastructure Private Limited	42,072.21	22.12.2022	31.12.2024
11.	(Taj Kutir at Raichak Terminal) Aluminium doors & window	Ambuja Neotia Hotel Ventures Limited	32,644.58	12.12.2023	31.12.2024

## OUR MAJOR CLIENTS

We have many clients forming part from different sectors including construction companies, hospitality, infrastructure etc. Some of our major clients are as follows:

		
Ambuja Housing and Urban Infrastructure Limited	Primarc Projects Realty Private Limited	Siti Networks Limited
		
Larsen & Toubro Limited	ACC India Pvt. Limited	Shapoorji Pallonji & Company Private Limited
		
Srijan Realty Private Limited	Infosys Limited	P S Group Realty Private Limited

## COLLABORATIONS

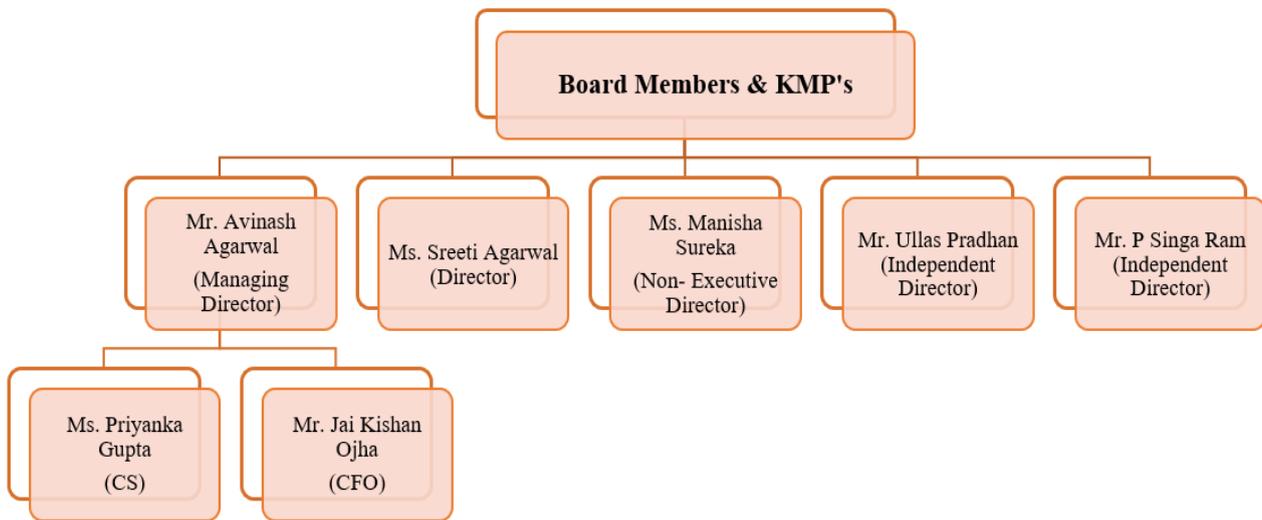
As on the date of this Draft Red Herring Prospectus, our company has entered into certain collaboration or technical agreement, the details of which are as follows:

1. Our Company has entered into the agreement dated August 19, 2022 with Schueco India Private Limited, for supply of the products for the Project (88 Housing) obtain from the Kolkata One Execution Private Limited, for structural glazing & aluminium windows and doors.

## EXPORT AND EXPORT OBLIGATIONS

As on the date of this Draft Red Herring Prospectus, our company do not export and also do not have any export obligation.

## ORGANIZATIONAL STRCUTURE



## RAW MATERIAL

In order to conduct our business operation, we need different raw materials such as glass, aluminium, stone, concrete, stainless steel, mild steel, cement, silicon and hardware such as backer rod, aluminium brackets, baseplats etc.

We procured these raw materials from suppliers belonging to the domestic markets. However, the company also imports some of the raw materials such as aluminium profile, bearing, extrusion molds, gas spring from China. We procure raw material after considering the quotation received from every vendor. Further, we also verify the quality of raw material to be used in the fabrication and assembly of our offerings.

## CERTIFICATION AND LICENSES

In order to carry out our operation, the company need various business certifications, the details of which are as follows:

S. No.	Particulars of Certifications	Licensee	Certificate/License No.	Validity End Date
1	UDYAM Registration Certificate	Ministry of Micro, Small and Medium Enterprises	UDYAM-WB-10-0009894	Valid until cancellation

2	Factory License	Directorate of Factories, Govt. of West Bengal	<b>License No:</b> 22405 <b>Reg. No.:</b> 087-HW/X/2021	07/02/2029
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For certain projects, there are certain specific tests or certifications are necessary as per the client's requirements:

- **Air Leakage Test:**

Air leakage test or air tightness test is a procedure conducted on building facades to measure the amount of air that can pass through the building envelope. During the test, a blower door system is typically installed in an exterior door or window opening. The blower door consists of a powerful fan that depressurizes or pressurizes the building's interior, causing air to flow through any gaps, cracks, or openings in the facade.

- **Wind Pressure Test:**

Wind Pressure Test for facades is a procedure to evaluate the structural integrity and performance of a building's exterior components, such as windows, doors, cladding, and curtain walls, under simulated wind conditions. During the test, the facade is subjected to varying wind pressures to simulate different wind speeds and directions that it may encounter in its geographic location.

- **Static Water Penetration Test:**

Static Water Penetration Test is a procedure used to assess the ability of a building's facade to resist water infiltration or penetration. During this test, water is applied to the exterior surface of the facade at a predetermined pressure for a specified duration, typically using a calibrated spray apparatus or a controlled flow of water.

- **Seismic Floor Displacement Test at Design Displacement:**

The purpose of this test is to verify that the building's design can effectively mitigate the potential damage and ensure the safety of occupants during an earthquake event. During this test, the floor is subjected to simulated seismic activity to mimic the effects of an earthquake.

*For further details with regards to certification and licenses, please refer to the chapter "Government and Other Approvals" on the page no. 266 of this draft red herring prospectus.*

## **UTILITIES & INFRASTRUCTURE FACILITIES**

### **Power**

Our Company registered office requires power for the normal purposes such as for lighting, computer systems etc. which is provided by the Acropolis Maintenance Services Private Limited. Also, we have inverter facility at our registered office.

Further, adequate power is available at our factory situated at Howrah, Kolkata, which is sourced by the West Bengal State Electricity Distribution Company Limited. Also, we have installed a solar panel on our factory premises for a capacity of 40 KW.

### **Water**

Our Business does not have major water requirements. Water required at premises for human consumption and other purposes is fully met through the private supply of water.

## Effluent Treatment

Our Company does not generate any industrial effluents which is hazardous to the environment.

## HUMAN RESOURCE

We believe that a motivated and empowered employee base is the key to our operations and business strategy. We have developed a large pool of skilled and experienced personnel. As on March 15, 2024, our Company has employed 51 permanent employees which are on our company's payroll.

Our manpower is a prudent mix of the experienced and young people which gives us the dual advantage of stability and growth, consequently execution of services within time limit and along with quality. Our skilled resources together with our strong management team have enabled us to successfully implement our growth plans. These employees are employed at our registered office and factory include personnel in fabrication activities such as machine operations, assembling and testing of our offerings, quality assurance, and receipt and dispatch of materials.

## DEPARTMENT WISE BREAK-UP

S. No.	Particulars	Number of Employees
1	Executive Director	2
2	Finance & Accounts	7
3	Human Resources & Administration	3
4	Marketing And Sales	2
5	Design Team	3
6	Project Coordination, Planning & Production	8
7	Secretarial	1
8	Project execution	25
<b>TOTAL</b>		<b>51</b>

## FINANCIAL ACHIEVEMENTS OF THE COMPANY

*(Amount in Thousands)*

Particulars	For the period ended 31 <sup>st</sup> December 2023	For the Year ended 31 <sup>st</sup> March 2023	For the Year ended 31 <sup>st</sup> March 2022	For the Year ended 31 <sup>st</sup> March 2021
Share Capital	8,437.45	8,437.45	8,437.45	8,437.45
Reserve & Surplus	1,31,457.06	91,504.35	80,245.64	84,758.10
Net Worth	60,744.40	20,458.27	11,497.16	7,745.33
Revenue from operation	472,631.19	400,097.64	257,391.17	135,805.27
Profit after Tax	39,952.71	11,258.71	(4,512.46)	2,374.62

## PRODUCT WISE REVENUE BREAKUP

*(Amount in Thousands)*

Particulars	For the period ended 31 <sup>st</sup> December, 2023	For the period ended 31 <sup>st</sup> March, 2023	For the period ended 31 <sup>st</sup> March, 2022	For the period ended 31 <sup>st</sup> March, 2021
<b>Supply of Products</b>				
Solar frames/ Windows sections/ Scraps	52,811.00	2,737.30	3,156.57	2,984.54
<b>Supply of Services</b>				
Doors, Windows & Louvers	1,08,872.41	1,83,928.59	1,75,078.53	69,817.38
Structural/ Curtain Wall/	1,65,419.81	1,09,522.11	48,868.93	16,232.79

Spider Glazing				
Architectural Steel/ Finishing works	8,230.85	3,339.15	3,477.15	18,928.61
ACP/Stone/ Teracotta / HPL Cladding	4,759.52	45,836.58	17,596.51	5,191.08
GFRC/ Speciality Concrete/ Civil works	1,32,537.59	54,733.91	9,213.48	22,650.86
<b>Total</b>	<b>4,72,631.19</b>	<b>4,00,097.64</b>	<b>2,57,391.17</b>	<b>1,35,805.27</b>

## GEOGRAPHICAL WISE REVENUE BREAKUP

The Geographical Wise Revenue Breakup of the Company are as follows:

(Amount in Thousands)

State Name	For the period ended 31 <sup>st</sup> December, 2023	For the period ended 31 <sup>st</sup> March, 2023	For the period ended 31 <sup>st</sup> March, 2022	For the period ended 31 <sup>st</sup> March, 2021
Assam	-	1,155.70	205.53	207.05
Bihar	2,182.03	36,210.61	14,744.56	-
Gujrat	1,955.85	22,492.06	-	-
Haryana	3,174.38	-	-	-
Jharkhand	22,549.73	12,224.23	2,008.47	-
Maharashtra	17,499.98	48,990.19	-	-
NCR	-	-	1,148.10	-
Odisha	-	-	4,630.38	4,174.47
Sikkim	3,378.86	15,183.70	1,695.29	1,693.07
West Bengal	4,21,890.35	2,63,841.15	2,32,958.84	1,29,730.68
<b>Total</b>	<b>4,72,631.19</b>	<b>4,00,097.64</b>	<b>2,57,391.17</b>	<b>1,35,805.27</b>

## Top 10 Customers

For Financial Year 2023-2024 (Upto 31<sup>st</sup> December 2023)

(Amount in Thousands)

S. No.	Customer	Amount	% of Revenue from operations
1	Infosys Ltd.	1,34,013.99	28.35
2	S.E. Builders & Realtors Limited	59,937.00	12.68
3	ACC India Pvt. Ltd.	26,590.00	5.62
4	Kolkata- One Excelton Pvt. Ltd.	26,580.97	5.63
5	Larson Turbo Limited	22,549.73	4.77
6	Shapoorji Pallonji & Co Pvt. Ltd.	17,499.98	3.70
7	La Reliant Aluminium Pvt. Ltd.	19,619.08	4.15
8	La Reliant Extrusions Pvt. Ltd.	17,960.00	3.80
9	Marg Steel Private Limited	17,066.73	3.61
10	The Neotia University	13,516.95	2.86
	<b>TOTAL</b>	<b>3,55,334.43</b>	<b>75.18</b>
	<b>Revenue from Operations</b>	<b>4,72,631.19</b>	<b>100.00</b>

For Financial Year 2022-2023

(Amount in Thousands)

S. No.	Customer	Amount	% of Revenue from operations
1	Shapoorji Pallonji & Co Pvt. Ltd	82,999.59	20.74
2	S.E. Builders & Realtors Limited	58,148.51	14.53

3	ACC India Pvt. Ltd.	45,221.37	11.30
4	Primarc Projects Realty Pvt Ltd	41,819.29	10.45
5	ITD Cementation India Ltd	22,492.06	5.62
6	Larson Turbo Limited – Jamsedpur	12,224.23	3.06
7	Kolkata- One Excelton Pvt Ltd	20,669.75	5.17
8	Hazelton Highrise LLP	17,434.63	4.36
9	P S Group Realty Private Limited	9,458.49	2.36
10	LA Reliant Aluminium Pvt Ltd	9,132.00	2.28
	<b>TOTAL</b>	<b>3,19,599.93</b>	<b>79.88</b>
	<b>Revenue from Operations</b>	<b>4,00,097.64</b>	<b>100.00</b>

*For Financial Year 2021-2022*

*(Amount in Thousands)*

S. No.	Customer	Amount	% of Revenue from operations
1	P S Group Realty Private Limited	54,618.52	21.22
2	BAHDL Hospitality Limited	27,400.79	10.65
3	Primarc Projects Realty Pvt. Ltd.	24,128.46	9.37
4	West Bengal IAS Officers Welfare Society	21,673.46	8.42
5	Hazelton Highrise LLP	17,711.86	6.88
6	S. E. Builders & Realtors Limited	20,322.72	7.90
7	Gitanjali Academic Foundation	9,693.44	3.77
8	Marq Plaza LLP – Amistad	9,658.23	3.75
9	Altamira Project LLP	9,124.45	3.54
10	Utkarsh Sfatik Ltd	8,960.77	3.48
	<b>TOTAL</b>	<b>2,03,292.71</b>	<b>78.98</b>
	<b>Revenue from Operations</b>	<b>2,57,391.17</b>	<b>100.00</b>

*For Financial Year 2020-2021*

*(Amount in Thousands)*

S. No.	Customer	Amount	% of Revenue from operations
1	S. E. Builders & Realtors Limited	38,287.23	28.19
2	Utkarsh Sfatik Ltd	31,754.55	23.38
3	Urbana Facility Maintenance Pvt. Ltd.	8,205.90	6.04
4	Vistar Properties Pvt. Ltd.	6,280.38	4.62
5	Burman Brothers	5,177.43	3.81
6	G. D. Construction Co.	4,946.47	3.64
7	Mindtree Limited	4,174.47	3.07
8	AKL Infracon Pvt. Ltd.	4,075.48	3.00
9	Bengal NRI Complex Ltd.	3,907.78	2.88
10	Marq Plaza LLP	2,654.03	1.95
	<b>TOTAL</b>	<b>1,09,463.71</b>	<b>80.60</b>
	<b>Revenue from operations</b>	<b>1,35,805.27</b>	<b>100.00</b>

### Top 10 Suppliers

*For Financial Year 2023-2024 (Upto 31<sup>st</sup> December 2023)*

*(Amount in Thousands)*

S. No.	Supplier	Amount	% of Cost of material consumed
1	Schueco India Pvt. Ltd.	58,839.41	17.03
2	Calcutta Metal Corporation	54,488.93	15.77
3	Marg Steel Private Limited	27,458.72	7.95
4	Shree Gayatri Trading Co.	23,367.21	6.76
5	JP Ganeriwala & Co.	17,419.51	5.04
6	Glaze Architecture Pvt. Ltd.	15,140.57	4.38
7	Anchor Glass Industry LLP	14,082.57	4.08
8	Century Extrusions Ltd	12,483.97	3.61
9	Paint Smith	11,424.61	3.31
10	Patwari Distributors	10,455.79	3.03
	<b>TOTAL</b>	<b>2,45,161.29</b>	<b>70.96</b>
	<b>Cost of material consumed</b>	<b>3,45,467.94</b>	

*For Financial Year 2022-2023*

*(Amount in Thousands)*

S. No.	Supplier	Amount	% of Cost of material consumed
1	Schueco India Pvt. Ltd.	42,996.90	12.53
2	Marg Steel Private Limited	30,041.61	8.76
3	Paint Smith	24,696.93	7.20
4	JP Ganeriwala & Co.	22,175.64	6.46
5	LA Reliant Aluminium Pvt Ltd	22,066.26	6.43
6	Patwari Distributors	20,828.70	6.07
7	Glaze Architecture Pvt. Ltd.	16,544.90	4.82
8	Vitra India Glass Pvt Ltd	13,721.35	4.00
9	Calcutta Metal Corporation	12,594.65	3.67
10	New Era Industries	10,232.50	2.98
	<b>TOTAL</b>	<b>2,15,899.44</b>	<b>62.94</b>
	<b>Cost of material consumed</b>	<b>3,43,021.77</b>	

*For Financial Year 2021-2022*

*(Amount in Thousands)*

S. No.	Supplier	Amount	% of Cost of material consumed
1	Schueco India Pvt. Ltd.	48,739.14	22.95
2	Patwari Distributors	26,359.73	12.41
3	LA Reliant Aluminium Pvt Ltd	23,629.22	11.12
4	Anchor Glass Industry LLP	19,678.13	9.26

5	Century Extrusions Ltd	15,116.96	7.12
6	Glaze Architecture Pvt. Ltd.	13,182.01	6.21
7	JP Ganeriwala & Co.	10,962.31	5.16
8	Hindalco Industries Ltd	5,499.39	2.59
9	Bag Builders	5,134.67	2.42
10	CIVITECHSOL	3,573.55	1.68
	<b>TOTAL</b>	<b>171,875.10</b>	<b>80.92</b>
	<b>Cost of material consumed</b>	<b>2,12,405.32</b>	

*For Financial Year 2020-2021*

*(Amount in Thousands)*

S. No.	Supplier	Amount	% of Cost of material consumed
1	Patwari Distributors	32,585.62	31.54
2	JP Ganeriwala & Co	11,868.88	11.49
3	Century Extrusions Ltd.	7,564.53	7.32
4	Schueco India Pvt Ltd	6,393.72	6.19
5	Anchor Glass Industry LLP	4,387.43	4.25
6	LGF Sysmac India Pvt. Ltd.	3,668.60	3.55
7	Aludecor Lamination Pvt. Ltd.	2,264.40	2.19
8	Paint Smith	1,971.11	1.91
9	Glaze Architecture Pvt Ltd	1,836.43	1.78
10.	LA Reliant Aluminium Pvt Ltd	1,423.49	1.38
	<b>TOTAL</b>	73,964.22	71.60
	<b>Cost of material consumed</b>	<b>1,03,306.44</b>	

## COMPETITION

We operate in a highly competitive market. We face competition from other companies operating in the façade industry, interior decoration industry, in the same geographies as ours. Our competition depends on various factors, such as the type of project, total contract value, potential margins, location of the project and client relationships.

Competition in our industry primarily involves factors such as:

- quality and capability of plant and machinery
- ability to meet the customer's schedule
- experience and reputation
- price of the offerings

While service quality, technical ability, performance record, experience, health and safety records and the availability of skilled personnel's are key factors in client decisions among competitors, price often is the deciding factor in most tender awards. Some of our competitors may have greater resources than those available to us.

### Some of our competitors are:

- Nitson and Amitsu Private Limited
- ALCLAD Fabrication Private Limited
- Glass Wall Systems (I) Private Limited
- Innovators Façade Systems Limited

## **OUR COMPETITIVE STRENGTH**

### **1. Experienced promoter, management and employees**

We have an experienced management team with an established process led by our promoter and managing director, Mr. Avinash Agarwal, who has significant industry experience of over two decades in the facade industry and has been instrumental in the consistent growth of the Company. Our management and employee teams combine expertise and experience to outline plans for the future development of the Company. We believe that our qualified management team provides us with a competitive advantage and enables us to function effectively and efficiently.

### **2. Dedicated Logistical Solutions**

We have established a sophisticated and dedicated logistics solutions that ensure the seamless operation of our business and the timely execution of projects, giving us a distinct advantage in the marketplace. It helps us offer our services across all over India. This competitive strength not only contributes to successful project delivery but also enhances our reputation for reliability and operational excellence in the eyes of clients.

### **3. Consistency in Quality and Service Standards:**

We have a clear standard operating process for designing, fabrication and supply of Building facades, Aluminium Doors and Windows, Railing and Staircase and Glassfibre Reinforced Concrete (GFRC). We follow utmost quality standards in our areas of operation so that our products meet the required Quality standards such as heat and water resistance. It helps us in maintaining a cordial relationship with our customers. We believe that ensuring global standard products will attract domestic and international customers to our Company.

### **4. Advance machineries and unique product technologies**

By leveraging our core technologies and unique ideas, we continue to provide new value to society. We have procured most of our machinery for the fabrication and assembly of quality products. We have procured Italian fabrication technology and machinery, such as dedicated precision punching technology, double head cutting machines, copy routers etc.

Further, we believe that we are able to achieve greater efficiency due to our in-house testing process, reducing the time and cost of fabrication and process our products, from design to commercial production, resulting in higher profit margins.

### **5. Stable customer base:**

Our Company has made long-standing relationships with key customers. We supply our products to various government agencies. For instance, we have executed a contract with Coal India Limited for their head office situated in the Kolkata and the project has been completed successfully and on time. These long-standing relationships are the result of our commitment to quality, timely delivery, etc. Over the two decades, we believe that we have gained invaluable experience in assisting our customers by incorporating the latest technologies, efficiently utilising our process facility, equipment, and materials, and thereby constantly improving our offerings in order to meet our customer needs.

## **OUR BUSINESS STRATEGY**

### **1. Improve operational efficiency:**

We continue to invest in increasing our operational efficiency throughout the organization. Our Company intends to improve efficiencies to achieve cost reductions and have a competitive edge over its peers. Alignment of our people to ‘process improvement’ through management change and upgrading of skills as required for customer satisfaction is a continuous activity. We continue to further develop our technology systems to increase assets productivity, operating efficiencies and strengthen our competitive position.

### **2. Capitalize the opportunity in the solar and construction industry:**

We believe that the renewable energy sector, construction industry and infrastructure sector will grow rapidly in the upcoming years, due to changing lifestyle, government schemes for the housing sectors, and consumer demand. We intend to capitalise such opportunities by supplying required products and services. We believe that we are well positioned to cater the growing demand with our offerings.

### **3. Expand our geographical network:**

After deepening our roots in the Indian market with our wide range of offerings, we are further in progression of marking our presence globally. Currently, our company is focused only certain States in India. However, we intend to cater to the increasing demand of our existing customers and also increase our existing customer base by enhancing the distribution reach of our products in different parts of the country.

We plan to create a Strong and niche customer base for our products and services by increasing our focus on increasing our visibility with such institutional customers including Government Institutions, builders, and Developers of residential and commercial projects.

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

Our Company intends to focus on adhering to the quality standards of our offerings. Ensuring adherence to quality standards is pivotal for fostering customer loyalty and elevating brand reputation. By prioritizing quality in our offerings, we not only secure repeat orders but also cultivate trust among our customer base.

## **MARKETING**

We have established a robust marketing network throughout the nation to cater to both our current and potential clients, including government agencies and public sector enterprises. Our success lies in the strength of our relationship with our customers who have been associated with our Company for a long period.

Our marketing strategies are framed in the following way which ensures:

- Continuously identifying the industry trends
- Supply of Quality Products
- Timely Execution and delivery of the products

Our Company uses marketing tools like advertisements, day to day interaction with architectures, builders and Infrastructure companies followed by fellowship dinners. We also have an effective feedback procedure in place

for our clients regarding our products which helps us in improving and maintaining the efficiency of our products and achieving desired level of customer satisfaction.

## INSURANCE

The operation of our business is subject to various risks, such as adverse weather conditions, mechanical and technical failures, all of which represent a threat to personnel safety and to our plant and machinery.

Our Company has taken following insurance policies against any damage or loss:

*(Amount in Lakhs)*

S. No.	Insurer	Policy No.	Description of Property Insured	Validity	Amount Secured
1.	Reliance General Insurance Limited	150162321230049924	Building, Plant & machinery, Furniture and Stock in trade	27.11.2024	900.00
2.	Reliance General Insurance Limited	150122329110001537	Plant & machinery, Furniture and Stock in trade	27.11.2024	600.00
3.	ICICI Lombard General Insurance Company Limited	2002/269335683/01/000	Marine Export Import Insurance Open Policy	16.11.2024	3500.00
4.	HDFC ERGO General Insurance Company Limited	2949203019431804000	Office Premises	28.09.2024	173.70
6.	HDFC ERGO General Insurance Company Limited	3114205768450800000	Employees Compensation Insurance	26.06.2024	24.42

## LAND & PROPERTIES

Following are the details of land and Properties used by our company:

S. N.	Address	Owned/Leased	Tenure	Area	Usage
1.	5th Floor, Unit 503, 504 & 505, Acropolis Mall 1858/1, Rajdanga Main Road, Kasba, Kolkata, West Bengal-700107, India	Rented	11 Months (W.e.f. March 01, 2024)	3,720 Square Feet	Registered Office
2.	Plot No. 3108, Hanuman Complex, Ranihati Amta Road, PO- Islampur, Howrah- 711401	Rented	11 Months (W.e.f. March 01, 2024)	74,052 Square Feet	Factory

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## INTELLECTUAL PROPERTY

As on the date of the Draft Red Herring Prospectus, following are the trademarks in the name of the company applied or registered under Trademarks Act, 1999:

Trademark/Wordmark	Date of application	Application number	Class	Current Status
	19.07.2022	5536474	06	Registered
	19.07.2022	5536475	19	Registered
	08.02.2024	6293746	06	Applied

Domain name & ID	Sponsoring Registrar and ID	Creation Date	Expiry Date	Current Status
<a href="http://www.aesthetik.in">www.aesthetik.in</a>	godaddy.in & 290019597	02.08.2021	13.03.2025	Active

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## KEY REGULATIONS AND POLICIES

*The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local laws. The following description is an overview of certain laws and regulations in India, which are relevant to our Company. Certain information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below are not exhaustive and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.*

*The statements below are based on current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.*

### **RELATED TO OUR BUSINESS**

#### **THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006**

The Micro, Small and Medium Enterprises Development Act, 2006 as amended from time to time (MSMED Act) seeks to facilitate the development of micro, small and medium enterprises. The MSMED Act provides that where an enterprise is engaged in the manufacturing and production of goods pertaining to any industry specified in the first schedule to the Industries (Development and Regulation) Act, 1951, the classification of an enterprise will be as follows:

- where the investment in plant and machinery does not exceed twenty-five Lakh rupees shall be regarded as a micro enterprise;
- where the investment in plant and machinery is more than twenty-five Lakh rupees but does not exceed five crore rupees shall be regarded as a small enterprise;
- Where the investment in plant and machinery is more than five crore rupees but does not exceed ten crore rupees shall be regarded as a medium enterprise.

The MSMED Act provides for the memorandum of micro, small and medium enterprises to be submitted by the relevant enterprises to the prescribed authority. While it is compulsory for medium enterprises engaged in manufacturing to submit the memorandum, the submission of the memorandum by micro and small enterprises engaged in manufacturing is optional. The MSMED Act defines a supplier to mean a micro or small enterprise that has filed a memorandum with the concerned authorities. The MSMED Act ensures that the buyer of goods makes payment for the goods supplied to him immediately or before the date agreed upon between the buyer and supplier.

The MSMED Act provides that the agreed period cannot exceed forty-five days from the day of acceptance of goods it also stipulates that in case the buyer fails to make payment to the supplier within the agreed period, then the buyer will be liable to pay compound interest at three times of the bank rate notified by the Reserve Bank of India from the date immediately following the date agreed upon. The MSMED Act also provides for the establishment of the Micro and Small Enterprises Facilitation Council (—Council“). The Council has jurisdiction to act as an arbitrator or conciliator in a dispute between the supplier located within its jurisdiction and a buyer located anywhere in India.

The MSMED act provides for appointment and establishment of National Board by the Central Government for MSME enterprise with its head office at Delhi. The Central Government may from time to time for the purpose of promotion and development of the MSME and to enhance the competitiveness in the sector organise such programmes, guidelines or instructions, as it may deem fit. In case of any offences under this act, no court

inferior to that of Metropolitan Magistrate or Chief Metropolitan Magistrate shall try the offence under this act.

### **NATIONAL BUILDING CODE OF INDIA, 2016**

National Building Code of India, 2016 (the “Code”) The Code a comprehensive building code, is a national instrument providing guidelines for regulating the building construction activities across the country. It serves as a model code for adoption by all agencies involved in building construction works, including the public works departments, other government construction departments, local bodies or private companies in the field of construction. The Code mainly contains administrative regulations, development control rules and general building requirements; fire safety requirements; stipulations regarding materials, structural design and construction (including safety) and building and plumbing services.

### **INTELLECTUAL PROPERTY LAWS**

#### **THE TRADEMARKS ACT, 1999 (“TRADEMARKS ACT”)**

The Trademarks Act provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement. The Trademarks Act also prohibits any registration of deceptively similar trademarks or compounds, among others. It also provides for infringement, falsifying and falsely applying trademarks.

Further, pursuant to the notification of the Trademark (Amendment) Act, 2010 simultaneous protection of trademark in India and other countries has been made available to owners of Indian and foreign trademarks. The Trademark (Amendment) Act, 2010 also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to conform Indian trademark law with international practice.

#### **COPYRIGHT ACT, 1957**

The Copyright Act, 1957, along with the Copyright Rules, 1958, (collectively, “Copyright Laws”) serve to create property rights for certain kinds of intellectual property, generally called works of authorship. The Copyright Laws protect the legal rights of the creator of an ‘original work’ by preventing others from reproducing the work in any other way. The intellectual property protected under the Copyright Laws includes literary works, dramatic works, musical works, artistic works, cinematography and sound recordings. The Copyright Laws prescribe a fine, imprisonment or both for violations, with enhanced penalty on second or subsequent convictions.

#### **THE PATENTS ACT, 1970 (“PATENTS ACT”)**

The patent regime in India is governed by the Patents Act and rules and regulations made thereunder. Pursuant to the TRIPS Agreement, product patent regime with a protection period of 20 years became applicable in India. The patent regime protects inventions through patents. The amended Patents Act defines “inventive step” to mean a feature of an invention that involves a technical advance as compared to the existing knowledge or having economic significance or both and that makes an invention not obvious to a person skilled in the art. Any person claiming to be the true and first inventor of the invention or the assignee of the true and first inventor or the legal representative of any deceased person who was entitled to make an application immediately before death may apply for a patent for an invention.

## **THE DESIGNS ACT, 2000 (THE “DESIGNS ACT”)**

The Designs Act prescribes for the registration of designs. The Designs Act specifically lays down the essentials of a design to be registered and inter alia, provides for application for registration of designs, copyright in registered designs, etc. A ‘Design’ means only the features of shape, configuration, pattern, ornament or composition of lines or combination thereof applied to any article whether two dimensional or three dimensional or in both forms, by any industrial process or means, whether manual, mechanical or chemical, separate or combined, which in the finished article appeal to and are judged solely by the eye, but does not include any mode or principle or construction or anything which is in substance a mere mechanical device, and expressly excludes works accorded other kinds of protection like property marks, trademarks and copyrights. Any person claiming to be the proprietor of a new or original design may apply for registration of the same before the Controller- General of Patents, Designs and Trademarks.

On registration, the proprietor of the design attains a copyright over the same. The duration of the registration of a design in India is initially ten years from the date of registration. No person may sell, apply for the purpose of sale or import for the purpose of sale any registered design, or fraudulent or obvious imitation thereof.

## **TAXATION LAWS**

In addition to the aforementioned legislations which are applicable to our Company, some of the tax legislations that may be applicable to the operations of our Company include:

- Income Tax Act, 1961, the Income Tax Rules, 1962, as amended by Finance Act in respective years;
- Central Goods and Service Tax Act, 2017, the Central Goods and Service Tax Rules, 2017 and various State-wise legislations made thereunder;
- The Integrated Goods and Service Tax Act, 2017;
- Professional Tax state-wise legislations.

## **LABOUR LAWS**

India has extensive labour related legislations. Certain other laws and regulations that may be applicable to our Company in India include the following which is an indicative list of labour laws applicable to the business and operations of Indian companies engaged in manufacturing activities:

### **FACTORIES ACT, 1948**

The Factories Act of 1948 is a piece of legislation enacted in India that regulates the working conditions in factories. Its main objective is to ensure the health, safety, and welfare of workers employed in factories. The act lays down various provisions related to the working hours, leave, safety measures, welfare facilities, and employment conditions in factories.

### **EMPLOYEES’ COMPENSATION ACT, 1923, AS AMENDED**

The Employee’s Compensation Act, 1923 came into force on July 1, 1924. The act has been enacted with the objective to provide for the payment of compensation by certain classes of employers to their workmen or their survivors for industrial accidents and occupational diseases resulting in the death or disablement of such workmen. The Indian Parliament approved certain amendments to the Employee’s Compensation Act, 1923, as amended, to substitute, inter-alia, references to “workmen” with “employees” including in the name of the statute. The amendment came into force on January 18, 2010.

Under the Employees' Compensation Act, if personal injury is caused to an employee by accident arising out of and in the course of employment, the employer would be liable to pay such employee compensation in accordance with the provisions of the Employees' Compensation Act. However, no compensation is required to be paid (i) if the injury does not disable the employee for a period exceeding three days, (ii) where the employee, at the time of injury, was under the influence of drugs or alcohol, or (iii) where the employee willfully disobeyed safety rules or willfully removed or disregarded safety devices.

#### **THE INDUSTRIAL DISPUTES ACT, 1947 AND INDUSTRIAL DISPUTE (CENTRAL) RULES, 1957:**

Industrial Dispute Act, 1947 and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The Industrial Disputes Act, 1947 (IDA) was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond a prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment.

#### **CONTRACT LABOUR (REGULATION AND ABOLITION) ACT, 1970 ("CLRA"):**

CLRA has been enacted to regulate the employment of contract labour in certain establishments, the regulation of their conditions and terms of service and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 or more workmen are employed or were employed on any day of the preceding 12 months as contract labour. The CLRA vests the responsibility on the principal employer of an establishment to which the Act applies to make an application to the registered officer in the prescribed manner for registration of the establishment. In the absence of registration, a contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued.

#### **THE EMPLOYEES' PROVIDENT FUND AND MISCELLANEOUS PROVISIONS ACT, 1952:**

The EPFA came into force on March 4, 1952 and amended on September 1, 2014. Under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 (EPF Act), compulsory provident fund, family pension fund and deposit linked insurance are payable to employees in factories and other establishments. The legislation provides that an establishment employing more than 20 (twenty) persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee's provident fund. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, the employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities. The EPF Act also prescribes penalties for avoiding payments required to be made under the abovementioned schemes.

#### **THE EMPLOYEES' STATE INSURANCE ACT, 1948 (THE "ESI ACT"):**

The Employees State Insurance Act of 1948 has been enacted with the objective of securing financial relief in cases of sickness, maternity and 'employment injury' to employees of factories and their dependent and to make provision for certain other matters in relation thereto. The Act is applicable to all the Factories including Factories belonging to the Government. Further, employer and employees both are required to make

contribution to the fund at the rate prescribed by the Central Government. The return of the contribution made is required to be filed with the Employee State Insurance department.

**THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“SHWW Act”) provides for the protection of women at workplace and prevention of sexual harassment at workplace. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organizing awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee, which shall always be presided upon by a woman.

**THE PAYMENT OF BONUS ACT, 1965:**

The payment of Bonus Act, 1965 aims to regulate the amount of bonus paid to the persons employed in certain establishments based on their profits and productivity. Pursuant to the Payment of Bonus Act, 1965, as amended, an employee in a factory or in any establishment where twenty or more persons are employed on any day during an accounting year, is eligible to be paid a bonus. It further provides for the payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

**PAYMENT OF GRATUITY ACT, 1972:**

The Payment of Gratuity Act is applicable to every factory, mine, oilfield, plantation, port, railway companies and to every shop and establishment in which 10 or more persons are employed or were employed at any time during the preceding twelve months. This Act applies to all employees irrespective of their salary. The Payment of Gratuity Act, as amended, provides for a scheme for payment of gratuity to an employee on the termination of his employment after he has rendered continuous service for not less than 5 years:

- (a) On his/her superannuation;
  - (b) On his/her retirement or resignation;
  - (c) On his/her death or disablement due to accident or disease
- (In this case the minimum requirement of five years does not apply)

**THE CHILD LABOUR (PROHIBITION AND REGULATION) ACT, 1986:**

The Child Labour (Prohibition & Regulation) Act, 1986, as amended from time to time (“Child Labour Act”) was enacted to prohibit the engagement of children below the age of fourteen years in certain specified occupations and processes and to regulate their conditions of work in certain other employments. No child shall be required or permitted to work in any establishment in excess of such number of hours, as may be prescribed for such establishment or class of establishments. Every child employed in an establishment shall be allowed in each week, a holiday of one whole day, which day shall be specified by the occupier in a notice permanently exhibited in a conspicuous place in the establishment and the occupier shall not alter the day so specified more than once in three months.

## **FOREIGN REGULATIONS**

### **FOREIGN EXCHANGE MANAGEMENT ACT, 1999:**

Foreign investment in India is primarily governed by the provisions of FEMA and the rules and regulations promulgated there under. Foreign Exchange Management Act, 1999 (“FEMA”) was enacted to consolidate and amend the law relating to foreign exchange with the objective of facilitating external trade and for promoting the orderly development and maintenance of foreign exchange market in India. FEMA extends to whole of India. This Act also applies to all branches, offices and agencies outside India owned or controlled by a person resident in India 102 and also to any contravention committed thereunder outside India by any person to whom the Act is applies. The Act has assigned an important role to the Reserve Bank of India (RBI) in the administration of FEMA.

### **FEMA REGULATIONS:**

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 (“FEMA Regulations”) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India.

### **THE FOREIGN TRADE (DEVELOPMENT AND REGULATION) ACT, 1992 (“FTA”):**

In India, the main legislation concerning foreign trade is FTA. The FTA read along with relevant rules 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. FTA read with the Indian Foreign Trade Policy 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.

## **ENVIRONMENTAL LAWS**

### **THE ENVIRONMENT (PROTECTION) ACT OF 1986 (“EPA”)**

The EPA has been formulated by the Government of India for the protection and improvement of the environment in India and for matters connected there with. The EPA is an umbrella legislation designated to provide a framework for the Government of India to co-ordinate activities of various state and central authorities established under previous environmental laws. The EPA vests the Government of India with the power to take any measure it deems necessary or expedient for protecting and improving the quality of the environment and for preventing, controlling and abating environmental pollution. This includes the power to make rules for among other things, determining the quality of environment, standards for emission of discharge of environment pollutants from various sources, inspection of any premises, plan, equipment, machinery, examination of manufacturing processes and materials likely to cause pollution.

## **THE AIR (PREVENTION AND CONTROL OF POLLUTION) ACT, 1981, (“AIR ACT”)**

The Air Act has been enacted to provide for the prevention, control and abatement of air pollution. The Air Act was enacted with a view to protect the environment and surroundings from any adverse effects of the pollutants that may emanate from any factory or manufacturing operation or activity. It lays down the limits with regard to emissions and pollutants that are a direct result of any operation or activity. 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 is required to grant consent within a period of four months of receipt of an application, but may impose conditions relating to 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.

## **THE WATER (PREVENTION AND CONTROL OF POLLUTION) ACT, 1974, (“WATER ACT”)**

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the Central Pollution Control Board and the State Pollution Control Boards. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, use of any new or altered outlet for the discharge of sewage or 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. In certain cases, the State Pollution Control Board may cause the local Magistrates to restrain the activities of such person who is likely to cause pollution. Penalty for the contravention of the provisions of the Water Act include imposition of fines, or imprisonment, or both.

## **GENERAL LEGISLATIONS**

### **THE INDIAN CONTRACT ACT, 1872:**

The Indian Contract Act, 1872 (“Contract Act”) codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act also provides for circumstances under which contracts will be considered as ‘void’ or ‘voidable’. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

### **THE COMPETITION ACT, 2002:**

The Competition Act, 2002 prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates “combinations” in India. The Competition Act also established the Competition Commission of India (the “CCI”) as the authority mandated to implement the Competition Act. Combinations which are Likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

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## OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

### HISTORY OF OUR COMPANY

Our Company was incorporated as a Private Limited Company under the Companies Act, 1956 in the name and style of “Aesthetik Engineers Private Limited” bearing Certificate of Incorporation Number U74210WB2008PTC124716 issued by the Registrar of Companies, Kolkata dated April 02, 2008 upon takeover of the existing partnership firm namely “M/s Aesthetik”. Further, our Company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extra-Ordinary General Meeting held on December 18, 2023 and the name of our Company changed from “Aesthetik Engineers Private Limited” to “Aesthetik Engineers Limited” & Registrar of Companies, Kolkata issued a new certificate of incorporation consequent upon conversion dated January 24, 2024, bearing CIN U74210WB2008PLC124716.

Our Company is engaged in the business of designing, engineering, fabrication and installation of facade systems. Our portfolio includes Building facades, Aluminium Doors and Windows, Railing and Staircase and Glassfibre Reinforced Concrete (GRC).

Mr. Avinash Agarwal is the Promoter & Managing Director of the Company, who started his journey in the year 2003 with a partnership firm, in the name of “M/s Aesthetik”. He has an experience of more than two decades in the facade industry. His experience in the facade industry provides us the competitive edge in the market. He is the guiding force behind the success of the Company, and with his guidance and commitment, our company has been able to grow manifold.

### Background of Promoters

Following are promoters of our Company:

1. Mr. Avinash Agarwal
2. Ms. Sreeti Agarwal
3. Ms. Manisha Sureka
4. M/s Avinash Agarwal (HUF)

For the profile of our promoters, kindly refer the chapter “Our Promoters” on page no. 181 of this Draft Red Herring Prospectus.

### CHANGES IN OUR REGISTERED OFFICE

The Registered Office of the Company is presently situated at 1858/1, 5th Floor, Unit 503-505, Acropolis Mall, Rajdanga Main Road, Kasba, Kolkata, West Bengal-700107, India. The details of change of Registered Office of the Company are as follows:

S. No.	Date of Change	Shifted from	Shifted to
1.	30.04.2018	9, Girish Ghosh Lane, Ghusuri, Howrah – 711107, West Bengal, India	5 <sup>th</sup> Floor, Unit 503, Acropolis Mall 1858/1, Rajdanga Main Road, Kasba, Kolkata, West Bengal-700107, India
2.	08.03.2024	5 <sup>th</sup> Floor, Unit 503, Acropolis Mall 1858/1, Rajdanga Main Road, Kasba, Kolkata, West Bengal-700107, India	1858/1, 5th Floor, Unit 503-505, Acropolis Mall, Rajdanga Main Road, Kasba, Kolkata, West Bengal-700107, India

## MAIN OBJECTS OF OUR COMPANY

The object clauses of the Memorandum of Association of our Company enable us to undertake our present activities. The main objects of our Company are:

1. To take over the existing partnership Business of M/s. AESTHETIK having its office at 9, Girish Ghosh Lane, Ghusuri, Howrah – 711 107 with all its assets & liabilities as a going concern.
2. To carry on in India or elsewhere, either alone or jointly with one or more persons, government, local or other bodies, the business of importers, exporters, buyers, sellers, distributors, contractors, sub-contractors of Engineering goods and fabrication, erection, construction of light, medium and heavy engineering structures and to manufacture, erect, install, commission, supply, fabricate, construct, repair, maintain, procure and deal in all types of material handling equipment, glass works and windows works and to carry on the business of buying, selling, importing, exporting, distributing, servicing, repairing and dealing in all and every kind of fabrication, machining, components parts, machines spare parts, accessories, tools and to carry on civil construction and warehousing business and to do all related services and work, to act as consulting engineers and undertake studies and projects in India and other parts of the World.
3. To carry on in India or elsewhere, either alone or jointly with one or more persons, government, local or other bodies, the business of manufacturers, importers, exporters, buyers, sellers, distributors, contractors, sub-contractors of solar panels, related devices, all kinds of equipments, gadgets required for capture, storage or usage of solar energy.
4. To manufacture, process, prepare and generally to deal in cement and concrete oriented products, glass fibre reinforced concrete slabs, cement poles, cement pipes and cement benches and prestressed concrete building section, bridge section, walls, drain covers, and fire clay and fire bricks of all kinds, stoneware, bricks, tiles, earthenware, glassware, glass, crockery, sanitary wares, china and terracotta, refractories and ceramic wares of all kinds and other allied goods.

## AMENDMENTS TO THE MOA OF OUR COMPANY SINCE INCORPORATION:

Since incorporation, there has been following amendment made to the MoA of our Company:

Date of Amendment	Particulars of Amendment
22.02.2010	Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 10,00,000 /- to Rs. 20,00,000/-
21.03.2011	Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 20,00,000 /- to Rs. 40,00,000/-
28.03.2011	Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 20,00,000 /- to Rs. 1,00,00,000/-
18.12.2023	Alteration of Name clause of Memorandum of Association and subsequently the company was converted from Private Limited Company into Public Company
18.12.2023	Alteration in Memorandum of Association due to Change in the object clause
15.02.2023	Alteration in Memorandum of Association due to increase in Authorized share capital. The Authorized Share Capital was increased from existing Rs. 1,00,00,000 /- to Rs. 20,00,00,000/-

## KEY EVENTS AND MILESTONES:

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

Year	Particulars
2003	Created the partnership “Aesthetik” for the interior decoration business
2007	Expansion into design, fabrication, assembly and installation of facade
2008	Incorporation of Company
2023	Conversion from Private Company to Public Company

## AWARDS AND ACCREDITATIONS RECEIVED BY OUR COMPANY

As on the date of this Draft Red Herring Prospectus, our Company has not received any award.

## DETAILS OF BUSINESS OF OUR COMPANY

For details on the description of Our Company’s activity, business model, marketing strategy, completion of business, please see “Our Business”, “Management Discussion and Analysis of Financial Conditions” and “Basis for Issue Price” on page 129, 248, 92 of this Draft Red Herring Prospectus respectively.

## HOLDING COMPANY OF OUR COMPANY

Our Company does not have any holding company as on the date of filing of this Draft Red Herring Prospectus.

## SUBSIDIARY COMPANY OF OUR COMPANY

Our Company does not have any subsidiary company as on the date of filing of this Draft Red Herring Prospectus

## ASSOCIATE OR JOINT VENTURE OF OUR COMPANY

Following are the details of our company’s associate company:

<b>Name of the Company</b>	Solisys solar private limited
<b>CIN</b>	U35105WB2024PTC268231
<b>Registered Office</b>	Ranihati Amta Rd, JLNO 76, PL No. 3105, K No 3655, Islampur, Howrah-711401, West Bengal

For further information, please refer to the chapter “Our Group Entities” on page no. 187 of this Draft Red Herring Prospectus.

## OTHER DECLARATIONS AND DISCLOSURES

Our Company is not a listed entity and its securities have not been refused listing at any time by any recognized stock exchange in India or abroad. Further, Our Company has not made any Public Issue or Rights Issue (as defined in the SEBI ICDR Regulations) in the past. No action has been taken against Our Company by any Stock Exchange or by SEBI. Our Company is not a sick company within the meaning of the term as defined in the Sick Industrial Companies (Special Provisions) Act, 1985. Our Company is not under winding up nor has it received a notice for striking off its name from the relevant Registrar of Companies.

## **FUND RAISING THROUGH EQUITY OR DEBT**

For details in relation to our fund-raising activities through equity and debt, please refer to the chapters titled “*Capital Structure*” beginning on page number 58 respectively, of this Draft Red Herring Prospectus.

## **REVALUATION OF ASSETS**

Our Company has revalued one of its assets in the year 2018 for Rs. 3,575.47 thousands. For more details, please refer to the chapter “Financial Statement as restated” on the page 196 of this Draft Red Herring Prospectus.

## **CHANGES IN THE ACTIVITIES OF OUR COMPANY HAVING A MATERIAL EFFECT**

Other than as stated in this Draft Red Herring Prospectus, there has been no change in the activities being carried out by our Company since incorporation till the date of this Draft Red Herring Prospectus which may have a material effect on the profits / loss of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

## **INJUNCTIONS OR RESTRAINING ORDERS**

Our Company is not operating under any injunction or restraining order.

## **DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS /BANKS**

There have been no Defaults or Rescheduling of borrowings with financial institutions/banks.

## **STRIKES AND LOCK-OUTS**

Our Company has, since incorporation, not been involved in any labour disputes or disturbances including strikes and lock-outs. As on the date of this Draft Red Herring Prospectus, our employees are not unionized.

## **TIME AND COST OVERRUNS IN SETTING UP PROJECTS**

As on the date of this Draft Red Herring Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

## **SHAREHOLDERS’ AGREEMENT**

Our Company does not have any subsisting shareholders’ agreement as on the date of this Draft Red Herring Prospectus.

## **OTHER AGREEMENTS**

As on the date of this Draft Red Herring Prospectus our Company has not entered into any agreements other than those entered into in the ordinary course of business and there are no material agreements entered into more than two years before the date of this Draft Red Herring Prospectus.

## **STRATEGIC PARTNERS**

Our Company does not have any strategic partner(s) as on the date of this Draft Red Herring Prospectus.

## **FINANCIAL PARTNERS**

As on the date of this Draft Red Herring Prospectus, our Company does not have any financial partners.

## **ACQUISITION OF BUSINESS / UNDERTAKINGS**

There is no Merger, Amalgamation, Acquisition of Business or Undertaking etc. with respect to our Company and we have not acquired a business undertaking since inception.

## **DIVESTMENT OF BUSINESS / UNDERTAKING BY COMPANY IN THE LAST TEN YEARS**

There has been no divestment by the Company of any business or undertaking since inception.

## **NUMBER OF SHAREHOLDER OF OUR COMPANY**

Our Company has 09 shareholders as on date of this Draft Red Herring Prospectus. For further details on the Shareholding Pattern of our Company, please refer to the Chapter titled “Capital Structure” beginning on page 58 of this Draft Red Herring Prospectus.

## **DETAILS OF PAST PERFORMANCE**

For details of Change of management, please see chapter titled “Our Business” and “Our History and certain corporate matters” on page 129, 160 respectively of this Draft Red Herring Prospectus.

## **DETAILS OF FINANCIAL PERFORMANCE**

For details in relation to our financial performance in the previous five financial years, including details of non-recurring items of income, refer to section titled “Financial Statements” beginning on page 196 of this Draft Red Herring Prospectus.

## **COLLABORATION AGREEMENT**

For the details regarding collaboration agreements entered into by our Company, refer to the chapter “Our Business” on page no. 129 of this Draft Red Herring Prospectus.

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## OUR MANAGEMENT

### BOARD OF DIRECTORS

As per the Articles of Association of our Company, we are required to have not less than 3 (Three) Directors and not more than 15 (Fifteen) Directors on our Board, subject to provisions of Section 149 of Companies Act, 2013. As on date of this Draft Red Herring Prospectus, our Board consist of 5 (Five) Directors, out of which 2 (Two) are Executive Directors and 3 (Three) are Non-Executive Directors out of which 2 (Two) directors are independent directors. Mr. Avinash Agarwal is the Managing Director of our Company.

S. N.	Name	DIN	Category	Designation
1.	Avinash Agarwal	01889340	Executive	Managing Director
2.	Sreeti Agarwal	03135066	Executive	Director
3.	Manisha Sureka	07110625	Non-Executive	Director
4.	Ullas Pradhan	08784984	Non-Executive	Independent Director
5.	P Singa Ram	10515379	Non-Executive	Independent Director

The following table sets forth certain details regarding the members of our Company's Board as on the date of this Draft Red Herring Prospectus:

S.N.	Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term	Age	No. of Equity Shares held & % of pre issue shareholding	Other Directorship/partner
1.	<p><b>Avinash Agarwal</b></p> <p><i>Designation:</i> Managing Director</p> <p><i>Address:</i> C/O Vijay Kumar Agarwal, Fort Oasis Tower-1, Floor-8, 38/1, Panditiya Road, Sarat Bose Road, Kolkata, West Bengal,700029</p> <p><i>Date of Birth:</i> 20/12/1978</p> <p><i>Qualification:</i> Bachelor of Commerce</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p> <p><i>Term:</i> 5 years from 15/02/2024</p> <p><i>Date of First Appointment:</i> 02/04/2008</p> <p><i>Date of Appointment as MD:</i> 15/02/2024</p> <p><i>DIN:</i> 01889340</p>	45	83,68,650 Equity Shares (66.12% of the Pre-issue shareholdings)	<p><b>Indian Private Companies</b></p> <ol style="list-style-type: none"> <li>Anukaran Suppliers Private Limited</li> <li>Solisys Solar Private Limited</li> <li>Aesthetik Renewables Private Limited</li> </ol> <p><b>Indian Public Companies- Nil</b></p> <p><b>Section 8 companies- Nil</b></p> <p><b>Indian LLPs - Nil</b></p>

2.	<p><b>Sreeti Agarwal</b></p> <p><i>Designation:</i> Executive Director</p> <p><i>Address:</i> C/O Avinash Agarwal, Fort Oasis, Tower-1 Floor-8, 38/1, Panditiya Road, Sarat Bose Road, Kolkata, West Bengal, 700029</p> <p><i>Date of Birth:</i> 09/04/1981</p> <p><i>Qualification:</i> Bachelor of Arts</p> <p><i>Occupation:</i> Business</p> <p><i>Nationality:</i> Indian</p> <p><i>Date of appointment:</i> 15/03/1024</p> <p><i>DIN:</i> 03135066</p>	42	8, 48, 250 Equity Shares (6.70% of the Pre-issue shareholdings)	<p><b>Indian Private Companies-</b> Nil</p> <p><b>Indian Public Companies-</b> Nil</p> <p><b>Section 8 companies-</b> Nil</p> <p><b>Indian LLPs – Nil</b></p>
3.	<p><b>Manisha Sureka</b></p> <p><i>Designation:</i> Non-Executive Director</p> <p><i>Address:</i> P-498, Keyatala Road, Sarat Bose Road, S.O, Kolkata, West Bengal-700029</p> <p><i>Date of Birth:</i> 30/11/1976</p> <p><i>Qualification:</i> Master of Science</p> <p><i>Occupation:</i> Professional</p> <p><i>Nationality:</i> Indian</p> <p><i>Date of Appointment:</i> 15/03/2024</p> <p><i>DIN:</i> 07110625</p>	47	7,500 Equity Shares (0.06% of the Pre-issue shareholdings)	<p><b>Indian Private Companies-</b> Nil</p> <p><b>Indian Public Companies-</b> Nil</p> <p><b>Section 8 companies-</b> Nil</p> <p><b>Indian LLPs – Nil</b></p>
4.	<p><b>Ullas Pradhan</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Address:</i> Gorakabar Rev Colony, Tulasipur, Cuttack-753008, Odisha</p> <p><i>Date of Birth:</i> 23/07/1960</p> <p><i>Qualification:</i> Master of Social Work</p> <p><i>Occupation:</i> Professional</p> <p><i>Nationality:</i> Indian</p> <p><i>Date of Appointment:</i> 15/02/2024</p> <p><i>DIN:</i> 08784984</p>	63	NIL	<p><b>Indian Private Companies-</b></p> <p>Sumato Futurstic Solution Private Limited</p> <p><b>Indian Public Companies-</b> Nil</p> <p><b>Section 8 companies-</b> Nil</p> <p><b>Indian LLPs – Nil</b></p>

5.	<p><b>P. Singa Ram</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Address:</i> C/O-Lochan Sahu, Somnath Nagar, 2<sup>nd</sup> Lane, Aska Road, Brahmapur Sadar, Ganjam, Odisha - 760002</p> <p><i>Date of Birth:</i> 21/06/1976</p> <p><i>Qualification:</i> Master of Business Administration</p> <p><i>Occupation:</i> Professional</p> <p><i>Nationality:</i> Indian</p> <p><i>Date of Appointment:</i> 13/03/2024</p> <p><i>DIN:</i> 10515379</p>	47	NIL	<p><b>Indian Private Companies-</b> Nil</p> <p><b>Indian Public Companies-</b></p> <p>Airmid Infrastructure Limited</p> <p>Selene Estate Limited</p> <p>Lakisha Real Estate Limited</p> <p><b>Section 8 companies-</b> Nil</p> <p><b>Indian LLPs – Nil</b></p>
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#### BRIEF PROFILE OF THE DIRECTORS OF OUR COMPANY

1. **Mr. Avinash Agarwal**, aged 45 years, is the Promoter, Chairman and Managing Director of our Company. He has been appointed as Director of our Company since incorporation and as Managing Director from February 15, 2024. He has completed his bachelor's degree in commerce from Seth Anandram Jaipuria College. He has experience of over two decades in façade industry. He is the guiding force behind all the strategic decisions of the Company and is entrusted with the responsibility of looking after the overall management and operation of the Company.
2. **Ms. Sreeti Agarwal** is the promoter and Executive Director of the Company. She has been appointed as Executive Director on March 15, 2024. She completed Bachelor of Arts from University of Calcutta in the Year 2000. She had an experience around 8 Years in façade industry. She is looking after the overall management and operation of the Company.
3. **Ms. Manisha Sureka**, aged 47 years, is the promoter and Non-Executive Non-Independent Director of our Company. She has been appointed as Non-Executive Director of our Company on March 15, 2024. She has completed her master's degree in science in applied mathematics from the University of Calcutta. Her role involves cultivating client relationships to uncover their full potential, and she assists the board in making equitable decisions.
4. **Mr. Ullas Pradhan** is an Independent Director of the Company. He has been appointed as Independent Director of the Company from February 15, 2024. He has Completed the master's degree in social work from University of Pune. He has versatile experience of 35 years in the field of management, sales and marketing and training. He is a founder of the Sumato Futuristic Solutions Private Limited, a DPIIT recognized Start up for elderly care. Furthermore, Mr. Pradhan's expertise extends to various professional capacities. He is a certified business coach, communication expert, soft skill trainer, and motivational speaker.
5. **Mr. P Singa Ram** is an Independent Director of the Company. He has been appointed as Independent Director of the Company from March 13, 2024. He holds a Master of Business Administration in Sales and Marketing from Berhampur University, Odisha. He is versatile enthusiastic and dedicated professional having more than 15 years of profound experience in managing, operations for top-line management and improvement, business development, market analysis, customer satisfaction, stakeholder management & team management. Additionally, Mr. P Singa Ram is proficient in Lean Six Sigma methodologies, holding a Green Belt certification.

**Note:**

As on the date of this Draft Red Herring Prospectus:

- a) None of our Directors is or was a director of any listed company during the last five years preceding the date of this Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on the NSE, during the term of their directorship in such company.
- b) None of the Directors are on the RBI List of wilful defaulters.
- c) None of our Directors are categorized as a wilful defaulter or a fraudulent borrower, as defined under Regulation 2(1)(III) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- d) None of our Directors is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018. None of the above-mentioned Directors are on the RBI List of wilful defaulters as on the date of this Draft Red Herring Prospectus.
- e) None of the Promoters, persons forming part of our Promoter Group, our Directors or persons in control of our Company or our Company are debarred by SEBI from accessing the capital market.
- f) None of the Promoters, Directors or persons in control of our Company, have been or are 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.

**FAMILY RELATIONSHIP BETWEEN DIRECTORS**

Except as stated below, none of the Directors or Director or Key Managerial Personnel or Senior Management of the Company are related to each other as per Section 2(77) of the Companies Act, 2013:

Sr. No.	Name of the Director	Relationship with other Director
1.	Mr. Avinash Agarwal	Spouse of Ms. Sreeti Agarwal and Brother of Ms. Manisha Sureka
2.	Ms. Sreeti Agarwal	Spouse of Mr. Avinash Agarwal and Sister-in-Law of Ms. Manisha Sureka
3.	Ms. Manisha Sureka	Sister of Mr. Avinash Agarwal and Sister-in-law of Ms. Sreeti Aggarwal

**Details of current and past directorship(s) in listed companies whose shares have been / were suspended from being traded on the stock exchanges and reasons for suspension**

None of our Directors is / was a Director in any listed company during the last five years before the date of filing of this Draft Red Herring Prospectus, whose shares have been / were suspended from being traded on the any stock exchange.

**Details of current and past directorship(s) in listed companies which have been/ were delisted from the stock exchange(s) and reasons for delisting**

None of our Directors are currently or have been on the board of directors of a public listed company whose shares have been or were delisted from any stock exchange.

**Details of arrangement or understanding with major shareholders, consumers, suppliers or others, pursuant to which of the Directors were selected as a director or member of senior management.**

There are no arrangements or understandings with major shareholders, consumers, suppliers or any other entity, pursuant to which any of the Directors or Key Managerial Personnel were selected as a Director or member of the senior management.

## TERMS AND CONDITIONS OF EMPLOYMENT OF THE DIRECTORS

### i) Executive Directors

<b>Name</b>	<b>Mr. Avinash Agarwal</b>
<b>Designation</b>	Managing Director
<b>Term</b>	5 years from 15/02/2024
<b>Date of approval of shareholder</b>	15/02/2024
<b>Remuneration</b>	Rs. 60.00 Lakhs Per Annum
<b>Perquisite</b>	Re-imbursement of travelling, lodging, boarding expenses, all cost and other charges incurred by him in the discharge and execution of his duties as Managing Director.
<b>Name</b>	<b>Ms. Sreeti Agarwal</b>
<b>Designation</b>	Executive Director
<b>Date of appointment as Director</b>	15/03/2024
<b>Remuneration</b>	Rs. 6.00 Lakhs Per Annum
<b>Perquisite</b>	Re-imbursement of travelling, lodging, boarding expenses, all cost and other charges incurred by him in the discharge and execution of his duties as Executive Director.

### ii) Non-Executive Directors

Non-Executive Non-Independent Directors and Independent Directors are not entitled to any remuneration except sitting fees for attending meetings of the Board, or of any committee of the Board. They are entitled to a sitting fee for attending the meeting of the Board and the Committee thereof respectively.

Pursuant to the resolution passed by the Board of Directors of our Company on April 12, 2024, the independent directors of our Company would be entitled to a sitting fee of Rs. 8,000/- for attending every meeting of the Board and Rs. 8,000/- for attending every committee meeting.

*Note: No portion of the compensation as mentioned above was paid pursuant to a bonus or profit-sharing plan.*

## SHAREHOLDING OF DIRECTORS IN OUR COMPANY

As per the Articles of Association of our Company, a director is not required to hold any shares in our Company to qualify him for the office of the Director of our Company. The following table details the shareholding in our Company of our Directors in their personal capacity, as on the date of this Draft Red Herring Prospectus:

<b>Sr. No.</b>	<b>Name of the Directors</b>	<b>No. of Equity Shares held</b>	<b>% of pre-issue paid-up Equity Share capital in our Company</b>
1.	Mr. Avinash Agarwal	83,68,650	66.12%
2.	Ms. Sreeti Agarwal	8,48,250	6.70%
3.	Ms. Manisha Sureka	7,500	0.06%

## **INTEREST OF DIRECTORS**

All of our Directors may be deemed to be interested to the extent of fees payable to them (if any) for attending meetings of the Board or a committee thereof as well as to the extent of remuneration payable to them for their services as Directors of our Company and reimbursement of expenses as well as to the extent of commission and other remuneration, if any, payable to them under our Articles of Association. Some of the Directors may be deemed to be interested to the extent of consideration received/paid or any loans or advances Provided to anybody corporate including companies and firms, and trusts, in which they are interested as directors, members, partners or trustees.

All our Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or their relatives in our Company, or that may be subscribed for and allotted to our non-promoter Directors, out of the present Issue and also to the extent of any dividend payable to them and other distribution in respect of the said Equity Shares.

The Directors may also be regarded as interested in the Equity Shares, if any, held or that may be subscribed by and allocated to the companies, firms and trusts, if any, in which they are interested as directors, members, partners, and/or trustees.

Our Directors may also be regarded interested to the extent of dividend payable to them and other distribution in respect of the Equity Shares, if any, held by them or by the companies/firms/ventures promoted by them or that may be subscribed by or allotted to them and the companies, firms, in which they are interested as Directors, members, partners and promoters, pursuant to this Issue. All our Directors may be deemed to be interested in the contracts, agreements/ arrangements entered into or to be entered into by the Company with either the Directors himself, other company in which they hold directorship or any partnership firm in which they are partners, as declared in their respective declarations.

### ***Interest in promotion of Our Company***

Except Promoters, none of our directors have any interest in the promotion of our Company.

### ***Interest in the property of Our Company***

The registered office of the Company, situated at 1858/1, 5th Floor, Unit 503-505, Acropolis Mall, Rajdanga Main Road, Kasba, Kolkata, West Bengal-700107, India.

The Company entered into Leave and license agreements dated April 01,2023 with the co-owners, namely M/s Avinash Agarwal HUF (represented by its Karta, Mr. Avinash Agarwal, Managing Director), Mr. Shyama Agarwal and Vijay Kumar Agarwal, the letting the premises being a commercial space measuring about 1240 square feet each unit, on the 1858/1, 5th Floor, Unit 503-505, Acropolis Mall, Rajdanga Main Road, Kasba, Kolkata, West Bengal-700107, India, to be used for the purpose of setting up registered office of the Company, for a term of 11 months. The monthly rent payment as per each agreement is INR Rs. 1,50,000/- cumulatively amounting to Rs. 4,50,000/- per month.

Further, the factory of the company is situated at Plot No. 3108, Hanuman Complex, Ranihati Amta Road, PO-Islampur, Howrah- 711401. The company has entered into a leave and license agreement, with Mr. Avinash Agarwal (Promoter and Managing Director), for such factory. The license fee as per the agreement is INR Rs.

6,00,000/- per month.

Except disclosed above, Our Directors have no interest in any property acquired by our Company neither in the preceding two years from the date of this Draft Red Herring Prospectus nor in the property proposed to be acquired by our Company as on the date of filing of this Draft Red Herring Prospectus. Our Directors also do not have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company.

***Interest in the business of Our Company***

Save and except as stated otherwise in “Related Party Transaction” in the “Note 31” in chapter titled “*Financial Information*” beginning on page number 196 of this Draft Red Herring Prospectus, our Directors do not have any other interests in our Company as on the date of this Draft Red Herring Prospectus. Our Directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

***Details of service contracts***

None of our directors have entered into any service contracts with our company except for acting in their individual capacity as director and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company.

Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including the directors and key Managerial personnel, are entitled to any benefits upon termination of or retirement from employment.

***Bonus or profit-sharing plan for the directors***

There is no bonus or profit-sharing plan for the Directors of our Company.

***Contingent and deferred compensation payable to directors***

No Director has received or is entitled to any contingent or deferred compensation.

***Other indirect interest***

Except as stated in chapter titled “*Financial Information*” beginning on page 196 of this Draft Red Herring Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our Directors.

***Borrowing power of the Board***

Pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder, money to be borrowed together with the money already borrowed by the company does not exceed aggregate of the paid-up capital and free reserve of the company.

***This space has been left blank intentionally.***

## CHANGES IN THE BOARD FOR THE LAST THREE YEARS

Save and except as mentioned below, there had been no change in the Directorship during the last three (3) years:

Name of Director	Date of Event	Reason for Change
Santosh Mishra	10-08-2021	Cessation from the directorship
Ranjit Mishra	15-05-2023	Cessation from the directorship
Sreeti Agarwal	13-02-2024	Change in designation to Non-executive & Non-independent director
Avinash Agarwal	15-02-2024	Change in designation to Managing Director
Vijay Kumar Agarwal	15-02-2024	Change in designation to Whole Time Director
Ullas Pradhan	15-02-2024	Appointment as Independent Director
Anuj Singh	15-02-2024	Resignation from Directorship
P Singa Ram	13-03-2024	Appointment as Independent Director
Manisha Sureka	15-03-2024	Appointment as Non-Executive Non-Independent Director
Sreeti Agarwal	15-03-2024	Change in designation to Executive Director
Vijay Kumar Agarwal	27-03-2024	Resignation from Directorship

### Management Organizational Structure

For Management Organizational Structure please refer chapter titled “Our Business” on page number 129 of this Draft Red Herring Prospectus.

### CORPORATE GOVERNANCE

In additions to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our company immediately up on the listing of Equity Shares on the Stock Exchanges. As on date of this Draft Red Herring Prospectus, as our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V is not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. Our Company has complied with the corporate governance requirement, particularly in relation to appointment of independent directors inc

cluding woman director on our Board, constitution of an Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our Company has constituted the following Committees of the Board:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee

## AUDIT COMMITTEE

The Audit Committee was constituted *vide* Board resolution dated April 12, 2024 pursuant to Section 177 of the Companies Act, 2013. As on the date of this Draft Red Herring Prospectus, the Audit Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
P Singa Ram	Chairperson	Independent Director
Ullas Pradhan	Member	Independent Director
Avinash Agarwal	Member	Managing Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

### **The scope of Audit Committee shall include but shall not be restricted to the following:**

1. Oversight the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
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 before submission to the board for approval, with particular reference to:
  - a. Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board 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 utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
8. use/application of the funds raised through the proposed initial public offer by the Company;
9. Approval or any subsequent modifications of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company subject to such conditions as may be prescribed;
10. Scrutiny of inter-corporate loans and investments.
11. Valuation of undertakings or assets of the Company, wherever it is necessary.
12. Evaluation of internal financial controls and risk management systems.
13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.

14. 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.
15. Discussion with internal auditors on any significant findings and follow up thereon.
16. 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.
17. 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.
18. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
19. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
21. Carrying out any other function as it mentioned in the terms of reference of the Audit Committee.

**The Audit Committee enjoys following powers:**

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise if it considers necessary
- e) The audit committee may invite such of the executives as it considers appropriate (and particularly head of the finance function) to be present at the meetings of the committee, but on the occasions it may also meet without the presence of any executives of the Issuer. The finance director, head of the internal audit committee.

**The Audit Committee shall mandatorily review the following information:**

1. Management Discussion and Analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
3. Management letters/letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses.
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee; and statement of deviations:
  - a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI ICDR Regulations;
  - b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI ICDR Regulations.

**Meetings and relevant quorum of the Audit Committee**

1. The Audit Committee shall meet at least four times in a year and more than one hundred and twenty days shall elapse between two meetings.
2. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be minimum of two independent members present.

**Removal or Ceasing as a Member of the Committee**

Any members of this committee may be removed or replaced any time by the board, any member of this

committee ceasing to be a director shall be ceased to be a member of this committee.

## NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors held on April 12, 2024. As on the date of this Draft Red Herring Prospectus the Nomination and Remuneration Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
P Singa Ram	Chairman	Independent Director
Ullas Pradhan	Member	Independent Director
Manisha Sureka	Member	Non-Executive Non-Independent Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

The role of the Nomination and Remuneration Committee includes, but not restricted to, the following:

1. formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
2. for the appointment of an independent director, the committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the board of directors of the Company for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - 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 the performance of independent directors and the Board;
4. devising a policy on diversity of our Board;
5. identifying persons, who are qualified to become directors or who may be appointed in senior management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance;
6. determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
7. recommending remuneration of executive directors and any increase therein from time to time within the limit approved by the members of our Company;
8. recommending remuneration to non-executive directors in the form of sitting fees for attending meetings of the Board and its committees, remuneration for other services, commission on profits;
9. recommending to the Board, all remuneration, in whatever form, payable to senior management;
10. performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended;
11. engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy;
12. analyzing, monitoring and reviewing various human resource and compensation matters;
13. reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
14. framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable

laws in India or overseas, including:

- a. The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended; or
- b. The SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended;

Performing such other functions as may be delegated by the Board and/or prescribed under the SEBI Listing Regulations, Companies Act, each as amended or other applicable law.

Our Company Secretary and Compliance Officer will act as the secretary to the Nomination and Remuneration Committee.

#### **Meetings and relevant quorum of the Nomination and Remuneration Committee**

1. The committee shall meet as and when the need arises, subject to at least one meeting in a year.
2. The quorum for the meeting shall be either two members or one third of the total strength of the committee or two members, whichever is higher, with atleast One (1) Independent Director.

#### **Removal or Ceasing as a Member of the Committee**

1. Any members of this Committee may be removed or replaced by the Board of Directors at any time, by giving reasons thereof.
2. Any member of this committee ceasing to be a director shall also be ceased to be a member of this Committee.

#### **STAKEHOLDERS' RELATIONSHIP COMMITTEE**

Our Company at its Board Meeting held on April 12, 2024, has approved the constitution of the Stakeholders Relationship Committee in compliance with the provisions of the Section 178(5) and all other applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder and Regulation 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on the date of this Draft Red Herring Prospectus the Stakeholder's Relationship Committee comprises of:

<b>Name of the Director</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Manisha Sureka	Chairman	Non-Executive Non-Independent Director
Ullas Pradhan	Member	Independent Director
Avinash Agarwal	Member	Managing Director

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

#### **The terms of reference of the Stakeholders Relationship Committee as per Regulation 20 and Part D of Schedule II of SEBI Listing Regulations, 2015 and Companies Act, 2013 shall be as under:**

1. Consider and resolve grievances of security holders of the Company, including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent;
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices

- by the shareholders of the Company;
5. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
  6. To handle the grievances of the stakeholders in connection with the allotment and listing of shares;
  7. Ensure proper and timely attendance and redressal of investor queries and grievances;
  8. Carrying out any other functions contained in the Companies Act, 2013 and/or other documents (if applicable), as and when amended from time to time; and
  9. To approve, register, refuse to register transfer or transmission of shares and other securities;
  10. To review, approve or reject the request for split, sub-divide, consolidate, renewal and or replace any share or other securities certificate(s) of the Company;
  11. To authorize affixation of common seal of the Company;
  12. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Company;
  13. To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
  14. To dematerialize or rematerialize the issued shares;
  15. To do all other acts and deeds as may be necessary or incidental to the above;
  16. To perform such functions as may be delegated by the Board and to further delegate all or any of its power to any other employee(s), officer(s), representative(s), consultant(s), professional(s), or agent(s); and
  17. Such terms of reference as may be prescribed under the Companies Act, 2013 and SEBI Listing Regulations or other applicable law.

#### **Meetings of the Committee and relevant quorum**

1. The Stakeholder Relationship Committee shall meet at least once in a year, and shall report to the Board on a quarterly basis regarding the status of redressal of the complaints received from the shareholders of the Company.

#### **Removal or Ceasing as a Member of the Committee**

1. Any members of this Committee may be removed or replaced by the Board of Directors at any time, by giving reasons thereof.
2. Any member of this committee ceasing to be a director shall also be ceased to be a member of this Committee.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

#### **Compliance with SME Listing Regulations**

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on Emerge Platform of NSE.

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## KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

<b>Name</b>	: <b>Mr. Avinash Agarwal</b>
<b>Designation</b>	: Managing Director
<b>Date of Appointment</b>	: 15/02/2024
<b>Term of Office</b>	: 5 years from 15/02/2024
<b>Expiration of Term</b>	: 14/02/2029
<b>Qualification</b>	: Bachelor of Commerce
<b>Previous Employment</b>	: Not Applicable
<b>Overall Experience</b>	: He has an experience around of 16 years in façade industry.
<b>Current Salary</b>	: 60.00 Lakhs per annum
<b>Remuneration paid in F.Y. 2022-23)</b>	: Mr. Avinash Agarwal was appointed as Managing Director on 15/02/2024, therefore no remuneration has been received by him in the financial year 2022-23 as MD.
<b>Name</b>	: <b>Mr. Jai Kishan Ojha</b>
<b>Designation</b>	: Chief Financial Officer (CFO)
<b>Date of Appointment</b>	: 02/02/2024
<b>Qualification</b>	: Cost and Management Accountant (CMA)
<b>Previous Employment</b>	: Not Applicable
<b>Overall Experience</b>	: He is Chief Financial Officer of our company & has been appointed on 02/02/2024.
<b>Current Salary</b>	: 11.88 Lakhs per annum
<b>Remuneration paid in F.Y. 2022-23)</b>	: Mr. Jai Kishan Ojha was appointed as CFO on 02/02/2024, therefore no remuneration has been received by him in the financial year 2022-23 as CFO.
<b>Name</b>	: <b>Ms. Priyanka Gupta</b>
<b>Designation</b>	: Company Secretary (CS)
<b>Date of Appointment</b>	: 02/02/2024
<b>Qualification</b>	: Company Secretary
<b>Previous Employment</b>	: Assistant Company Secretary at Parakh & Chowdhury, Company Secretaries
<b>Overall Experience</b>	: She is Company Secretary of our company & has been appointed on 02/02/2024. She has an experience of more than 2 years in the secretarial department.
<b>Current Salary</b>	: 4.80 Lakhs per annum
<b>Remuneration paid in F.Y. 2022-23)</b>	: Ms. Priyanka Gupta was appointed as CS on 02/02/2024, therefore no remuneration has been received by her in the financial year 2022-23.

### Notes:

- All of our Key Managerial Personnel mentioned above are on the payrolls of our Company as permanent

employees.

- There is no agreement or understanding with major shareholders, consumers, suppliers or others pursuant to which any of the above mentioned personnel was selected as a director or member of senior management.
- None of our Key Managerial Personnel has entered into any service contracts with our company and no benefits are granted upon their termination from employment other than statutory benefits provided by our Company. However, our Company has appointed certain Key Managerial Personnel for which our company has not executed any formal service contracts; although they abide by their terms of appointments.

#### **FAMILY RELATIONSHIP BETWEEN KMP**

Except as disclosed below, none of the KMP of the Company are related to each other as per section 2(77) of the Companies Act, 2013:

<b>Sr. No.</b>	<b>Name of the KMP</b>	<b>Relationship with other Director</b>
1.	Mr. Avinash Agarwal	Spouse of Ms. Sreeti Agarwal, Executive Director and Brother of Ms. Manisha Sureka, Non-Executive Director

#### **BONUS AND/ OR PROFIT-SHARING PLAN FOR THE KEY MANAGERIAL PERSONNEL**

Our Company does not have any bonus and / or profit-sharing plan for the key managerial personnel.

#### **CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL**

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

#### **SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL**

Except Mr. Avinash Agarwal who holds 83,68,650 equity shares of the Company respectively, none of our Key Managerial Personnel is holding any Equity Shares in our Company as on the date of this Draft Red Herring Prospectus.

#### **INTEREST OF KEY MANAGERIAL PERSONNEL**

None of our key managerial personnel have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to our Company as per the terms of their appointment and reimbursement of expenses incurred by them during the ordinary course of business.

#### **CHANGES IN OUR COMPANY'S KEY MANAGERIAL PERSONNEL DURING THE LAST THREE YEARS**

Following have been the changes in the Key Managerial Personnel (KMP) during the last three years:

<b>Name of KMP</b>	<b>Date of Event</b>	<b>Reason for change</b>
Jai Kishan Ojha	02.02.2024	Appointment as Chief Financial Officer
Priyanka Gupta	02.02.2024	Appointment as Company Secretary
Avinash Agarwal	15-02-2024	Change in designation to Managing Director
Vijay Kumar Agarwal	15-02-2024	Change in designation to Whole Time Director

Vijay Kumar Agarwal	27-03-2024	Resignation from Directorship
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*Note: Other than the above changes, there have been no changes to the key managerial personnel of our Company that are not in the normal course of employment.*

#### **SCHEME OF EMPLOYEE STOCK OPTIONS OR EMPLOYEE STOCK PURCHASE**

Our Company does not have any Employee Stock Option Scheme or other similar scheme giving options in our Equity Shares to our employees.

#### **LOANS TO KEY MANAGERIAL PERSONNEL**

Except as provided in restated financial statement in the chapter “*Financial Information*” beginning on page 196 of the Draft Red Herring prospectus, there are no loans outstanding against the key managerial personnel as on the date of this Draft Red Herring Prospectus.

#### **PAYMENT OF BENEFITS TO OFFICERS OF OUR COMPANY (NON-SALARY RELATED)**

Except for the payment of salaries and perquisites and reimbursement of expenses incurred in the ordinary course of business, and the transactions as enumerated in the chapter titled “*Financial Information*” and the chapter titled “*Our Business*” beginning on pages 196 and 129 respectively of this Draft Red Herring Prospectus, we have not paid/given any benefit to the officers of our Company, within the two preceding years nor do we intend to make such payment/ give such benefit to any officer as on the date of this Draft Red Herring Prospectus.

#### **RETIREMENT BENEFITS**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company.

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## OUR PROMOTERS

The Promoter of our Company is:

S. N.	Name	Category	No. of Shares
1.	Avinash Agarwal	Individual Promoter	83,68,650
2.	Sreeti Agarwal	Individual Promoter	8,48,250
3.	Manisha Sureka	Individual Promoter	7,500
4.	Avinash Agarwal HUF	HUF	7,17,900

For details of the build-up of our promoters' shareholding in our Company, see section titled "Capital Structure" beginning on page 58 of this Draft Red Herring Prospectus.

Brief profile of our Individual Promoters is as under:

	<p><b>Mr. Avinash Agarwal</b> is the Promoter, Chairman and Managing Director of our Company. He has been appointed as Director of our Company since incorporation and as Managing Director from February 15, 2024. He has completed his bachelor's degree in commerce from Seth Anandram Jaipuria College. He has experience of more than two decades in façade industry. He is the guiding force behind all the strategic decisions of the Company and is entrusted with the responsibility of looking after the overall management and operation of the Company.</p>
<b>Name</b>	<b>Mr. Avinash Agarwal</b>
<b>Age</b>	45 Years
<b>Shareholding</b>	83,68,650 Equity Shares (66.12% of the Pre-issue shareholdings)
<b>Qualification</b>	Bachelor of Commerce
<b>Personal Address</b>	Fort Oasis Tower-1, Floor-8, 38/1, Panditiya Road, Sarat Bose Road, Sarat Bose Road, Kolkata, West Bengal,700029
<b>Directorship &amp; Other Ventures</b>	<p><b>Indian Private Companies</b></p> <ol style="list-style-type: none"> <li>1. Anukaran Suppliers Private Limited</li> <li>2. Solisys Solar Private Limited</li> <li>3. Aesthetik Renewables Private Limited</li> </ol> <p><b>Indian Public Companies:</b> Nil</p> <p><b>Section 8 companies:</b> Nil</p> <p><b>Indian LLPs:</b> Nil</p>
	<p><b>Ms. Sreeti Agarwal</b> is the promoter and Non-Executive and Non-Independent Director of the Company. She has been appointed as Non-Executive Director on February 13, 2024. She was appointed as a Whole time Director of our Company from December 22, 2018 to February 12, 2024. She has completed Bachelor of Arts from University of Calcutta in the Year 2000. She had an experience around 8 Years in façade industry.</p>
<b>Name</b>	<b>Ms. Sreeti Agarwal</b>
<b>Age</b>	42 Years
<b>Shareholding</b>	8,48,250 Equity Shares (6.70% of the Pre-issue shareholdings)
<b>Qualification</b>	Bachelor of Arts

<b>Personal Address</b>	Fort Oasis Tower-1, Floor-8, 38/1, Panditiya Road, Sarat Bose Road, Sarat Bose Road, Kolkata, West Bengal,700029
<b>Directorship &amp; Other Ventures</b>	Nil

	<b>Ms. Manisha Sureka</b> , aged 47 years, is the promoter and Non-Executive Non-Independent Director of our Company. She has been appointed as Non-Executive Director of our Company on March 15, 2024. She has completed her master’s degree in science from the University of Calcutta. Her role involves cultivating client relationships to uncover their full potential, and she assists the board in making equitable decisions.
<b>Name</b>	<b>Ms. Manisha Sureka</b>
<b>Age</b>	47 Years
<b>Shareholding</b>	7,500 Equity Shares (0.06% of the Pre-issue shareholdings)
<b>Qualification</b>	Master of Science
<b>Personal Address</b>	P-498, Keyatala Road, Sarat Bose Road, Kolkata, West Bengal, 700020
<b>Directorship &amp; Other Ventures</b>	<b>Indian Private Companies:</b> Nil <b>Indian Public Companies:</b> Nil <b>Section 8 companies:</b> Nil <b>Indian LLPs:</b> Nil

**Brief Profile of our Corporate promoter is as follows:**

<b>Name of the entity</b>	<b>Avinash Agarwal (HUF)</b>
<b>Karta</b>	Mr. Avinash Agarwal
<b>Operational Since</b>	20/04/2006
<b>Work Address</b>	Flat No-10801, 38, Panditia Road, Fort Oasis, Sarat Bose Road S.O., Kolkata-700029, West Bengal

*For details pertaining to other ventures of our Corporate Promoters, refer chapter titled “Our Group Entities” beginning on page no. 187 of this Draft Red Herring Prospectus.*

**Relationship of Promoters with our Directors**

Our Promoters are part of our board of directors as Managing Directors and/or Directors. Except as disclosed herein, none of our Promoter(s) are related to any of our Company’s Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

Promoters	Director	Relationship
Avinash Agarwal	Sreeti Agarwal	Spouse
Sreeti Agarwal	Avinash Agarwal	Spouse
Manisha Sureka	Avinash Agrwal	Sister
Manisha Sureka	Sreeti Agarwal	Sister-in-law

**OTHER UNDERTAKINGS AND CONFIRMATIONS**

- Our Company undertakes that the details of Permanent Account Number, Bank Account Number, Aadhar and Passport Number of the Promoters will be submitted to the Emerge Platform of NSE, where the securities of our Company are proposed to be listed at the time of submission of Draft Red Herring Prospectus.
- Our Promoters have confirmed that they have not been identified as willful defaulters.
- No violations of securities laws have been committed by our Promoters in the past or are currently pending

against them. None of our Promoters are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

## **INTEREST OF PROMOTERS**

### ***Interest in promotion of Our Company***

Our Promoters are interested in the promotion of our Company in their capacity as a shareholder of our Company and having significant control over the management and influencing policy decisions of our Company.

### ***Interest in the property of Our Company***

The registered office of the Company, situated at 1858/1, 5th Floor, Unit 503-505, Acropolis Mall, Rajdanga Main Road, Kasba, Kolkata, West Bengal-700107, India.

The Company entered into Leave and license agreements dated April 01, 2023 with the co-owners, namely M/s Avinash Agarwal HUF (represented by its Karta, Mr. Avinash Agarwal, Managing Director), Mr. Shyama Agarwal and Vijay Kumar Agarwal, the letting the premises being a commercial space measuring about 1240 square feet each unit, on the 1858/1, 5th Floor, Unit 503-505, Acropolis Mall, Rajdanga Main Road, Kasba, Kolkata, West Bengal-700107, India, to be used for the purpose of setting up registered office of the Company, for a term of 11 months. The monthly rent payment as per each agreement is INR Rs. 1,50,000/- cumulatively amounting to Rs. 4,50,000/- per month.

Further the factory of the company is situated at Plot No. 3108, Hanuman Complex, Ranihati Amta Road, PO-Islampur, Howrah- 711401. The company has entered into a leave and license agreement with Mr. Avinash Agarwal (Promoter and Managing Director) for such factory. The license fee as per the agreement is INR Rs. 6,00,000/- per month.

Our Promoters do not have any interest in any property acquired by or proposed to be acquired by our Company two years prior to filing of this Draft Red Herring Prospectus.

### ***Interest as member of Our Company***

Our Promoters jointly hold 99,34,800 Equity Shares aggregating to 78.50% of pre-issue Equity Share Capital in our Company and are therefore interested to the extent of their respective shareholding and the dividend declared, if any, by our Company. Except to the extent of their respective shareholding in our Company and benefits provided to Mr. Avinash Agarwal and Ms. Sreeti Agarwal given in the chapter titled “*Our Management*” beginning on page number 165 of this Draft Red Herring Prospectus, our Promoters hold no other interest in our Company.

### ***Interest as Director of our Company***

Except as stated in the “*Related Party Transactions*” beginning on page number 227 of the Draft Red Herring Prospectus, our Promoters / Directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of our Board or Committees thereof as well as to the extent of remuneration and/or reimbursement of expenses payable to them for services rendered to us in accordance with the provisions of the Companies Act and in terms of our AOA.

## **OTHER VENTURES OF OUR PROMOTERS**

Save and except as disclosed in the chapters titled “*Our Group Entities*” beginning on page 187 of the Draft Red Herring Prospectus, there are no other ventures of our Promoters in which they have business interests/other interests.

## **CHANGE IN THE CONTROL OF OUR COMPANY**

Our Promoters are the original promoters of our Company and there has been no change in the management or control of our Company.

## **LITIGATION INVOLVING OUR PROMOTERS**

For details of legal and regulatory proceedings involving our Promoters, please refer chapter titled “*Outstanding Litigation and Material Developments*” beginning on page 260 of this Draft Red Herring Prospectus.

## **PAYMENT OF BENEFITS TO OUR PROMOTERS AND PROMOTER GROUP DURING THE LAST TWO YEARS**

Save and except as disclosed under “*Statement of Related Party Transactions*”, as Restated appearing as “Annexure VI-36” of the section titled “*Financial Information*” beginning on page number 196 of the Draft Red Herring Prospectus, there has been no Payment or benefit to promoters during the two (2) years preceding the date of filing of this Draft Red Herring Prospectus, nor is there any intention to pay or give any benefit to our Promoters as on the date of this Draft Red Herring Prospectus.

## **OTHER CONFIRMATIONS**

As on the date of this Draft Red Herring Prospectus, our Promoters and members of our Promoter Group have not been prohibited by SEBI or any other regulatory or governmental authority from accessing capital markets for any reasons. Further, our Promoters were not and are not promoters or persons in control of any other company that is or has been debarred from accessing the capital markets under any order or direction made by SEBI or any other authority. There is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority against our Promoters during the last five (5) years preceding the date of this Draft Red Herring Prospectus, except as disclosed under chapter titled “*Outstanding Litigation and Material Developments*” beginning on page 260 of this Draft Red Herring Prospectus.

Our Promoters and members of our Promoter Group have neither been declared as a wilful defaulters nor as a fugitive economic offender as defined under the SEBI (ICDR) Regulations, and there are no violations of securities laws committed by our Promoters in the past and no proceedings for violation of securities laws are pending against our Promoters.

## **GUARANTEES**

Except as stated in the section titled “*Financial Statements*” beginning on page 196 of this Draft Red Herring Prospectus, there are no material guarantees given by the Promoters to third parties with respect to specified securities of the Company as on the date of this Draft Red Herring Prospectus.

### **Related Party Transactions**

For details of related party transactions entered into by our Company, please refer to “*Statement of Related Party Transactions*”, as Restated appearing as “Note 31” on page number 227 of the section titled “*Financial Information*” beginning on page number 196 of the Draft Red Herring Prospectus.

### **Information of our group companies**

For details related to our group companies please refer “Our Group Entities” on page no. 187 of this Draft Red Herring Prospectus.

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## OUR PROMOTER GROUP

Our Promoters and Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations is as under:

### A. Natural Persons who form part of our Promoter Group:

The following natural persons being the immediate relatives of our Promoters in terms of the SEBI (ICDR) Regulations 2018 form part of our Promoter Group:

Promoters	<i>Avinash Agarwal</i>	<i>Sreeti Agarwal</i>	<i>Manisha Sureka</i>
<b>Father</b>	Vijay Kumar Agarwal	Late Kailash Kumar Dalmiya	Vijay Kumar Agarwal
<b>Mother</b>	Shyama Agarwal	Sashi Devi Dalmiya	Shyama Agarwal
<b>Spouse</b>	Sreeti Agarwal	Avinash Agarwal	Sushant Gopal Sureka
<b>Brothers</b>	-	Chirag Dalmiya	Avinash Agarwal
<b>Sister</b>	Priyanka Jalan	Neha Sanganeria	Priyanka Jalan
	Manisha Sureka		
<b>Son</b>	-	-	-
<b>Daughters</b>	Vaani Agarwal	Vaani Agarwal	Srreshtha Sureka
	Aanshi Agarwal	Aanshi Agarwal	
<b>Spouse Father</b>	Late Kailash Kumar Dalmiya	Vijay Kumar Agarwal	Raj Gopal Sureka
<b>Spouse Mother</b>	Sashi Devi Dalmiya	Shyama Agarwal	Archana Sureka
<b>Spouse Brothers</b>	Chirag Dalmiya	-	Aman Gopal Sureka
<b>Spouse Sisters</b>	Neha Sanganeria	Priyanka Jalan	-
		Manisha Sureka	

### B. Companies, partnership and proprietorship firms forming part of our Promoter Group are as follows:

Particulars	Entity
Any body corporate in which 20% or more of the share capital is held by the promoters or an immediate relative of the promoters or a firm or HUF in which the promoters or any one or more of his immediate relative is a member.	<ol style="list-style-type: none"> <li>1. Anukaran Suppliers Private Limited</li> <li>2. Solisys Solar Private Limited</li> <li>3. Aesthetik Renewables Private Limited</li> <li>4. Hindusthan Lace Mfg Corpn Pvt Ltd</li> </ol>
Any company in which a company (mentioned above) holds 20% of the total holding	NIL
Any HUF or firm in which the aggregate share of the promoters and his relatives is equal to or more than 20% of the total holding	<ol style="list-style-type: none"> <li>1. Avinash Agarwal (HUF)</li> <li>2. Vijay Kumar Agarwal (HUF)</li> </ol>

### COMMON PURSUITS OF OUR PROMOTERS

None of our promoter group entities have business objects similar to our business. If any conflict of interest arises it may have an adverse effect on our business and growth. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

*This space has been left blank intentionally.*

## OUR GROUP ENTITIES

Below mention are the details of Companies / Entities promoted by the Promoters of our Company. No equity shares of our group entities are listed on any of the stock exchange and they have not made any public or rights issue of securities in the preceding three years.

### A. The Group Companies of our Company are as follows:

1. Anukaran Suppliers Private Limited
2. Solisys Solar Private Limited
3. Aesthetik Renewables Private Limited
4. Hindusthan Lace Mfg Corpn Pvt Ltd

### Details of Group Companies

#### 1. ANUKARAN SUPPLIERS PRIVATE LIMITED

#### Corporate Information

Anukaran Suppliers Private Limited was incorporated under the Companies Act, 1956 on March 18, 2009, having CIN U51909WB2009PTC133956. The registered office of Anukaran Suppliers Private Limited is situated at Acropolis Mall, 1858/1, Rajdanga Main Road, 5th Floor, Unit 503, Kolkata, West Bengal, India, 700107.

#### Main Object of the Company

To carry on the business as buyers, sellers, traders, merchants, indentors, brokers, agents, commission agents, assemblers, refiners, cultivators, miners, mediators, packers, stockists, distributors, advisors, hire purchasers, multi level marketing of & in all kinds of wood, timber and timber products, gems and jewellery, imitation jewellery, plastics and plastics goods & raw materials thereof, rubberised cloth, food grains, dairy products, soap detergents, biscuits, surgical, daignostic medical pulses, leather & finished leather goods, leather garments, leather products, all related items in leather, electric and electronics components and goods, iron & steel, aluminium, minerals, ferrous and non-ferrous metal, stainless steel, jute and jute products, textile, cotton, synthetic, fibre, silk, yarn, wool and woollen goods, handicrafts and silk artificial synthetics, readymade garments, design materials, process, printers in all textiles, timber cosmetics, stationery, tools and hardware, and to deal in shares and securities, sugar, tea, coffee, paper, packaging material, chemicals, cement, spices, grain, factory materials, house equipments, rubber and rubber products, coal, coal products and coaltar, fertilizers, agriculture products, Industrial products, computer data materials, software, paints, industrial and other gases, alcohol, edible and non-edible oils and fats, drugs, plants and machinery goods, engineering goods and equipments, office equipments, hospital equipments, railway accessories, medicine, sugar & sugarcane, automobile parts, building construction & materials fur & fur made items toys, building plans, consumer products, consumer durables, coal and coke, mica and mica products, dry flowers and plants, printing, transportation and all other kinds of goods and merchandie, commodities and articles of consumption of all kinds in India or elsewhere.

#### Board of Directors

The Directors of Anukaran Suppliers Private Limited as on the date of this Draft Red Herring Prospectus are as follows:

Name	Designation
Avinash Agarwal	Additional Director
Priyanka jalan	Director

### Shareholding Pattern

The Shareholding Pattern of Anukaran Suppliers Private Limited as on this Draft Red Herring Prospectus are as follows:

Shareholders Name	No. of shares	% of total holding
Priyanka Jalan	30,670	24.37%
Vijay Kumar Agarwal	12,500	9.93%
Shyama Agarwal	22,500	17.88%
Dinesh Kumar Jalan Huf	18,685	14.85%
Avinash Agarwal Huf	10,000	7.95%
Avinash Agarwal	30,000	23.84%
Anita Kumar	100	0.08%
Annei Agarwal	100	0.08%
Arup Kumar Saha	100	0.08%
Bimlesh Kumar	100	0.08%
Debarati Saha	100	0.08%
Debashish Dey	100	0.08%
Gautam Upadhyay	100	0.08%
Gopal Dutta	100	0.08%
Gopal Ghosh	100	0.08%
Lilawati Devi	100	0.08%
Neha Singh	100	0.08%
Sharmistha Ghosh	100	0.08%
Sovan Mondal	100	0.08%
Suchismita Sengupta Dey	100	0.08%
Tarak Ghosh	100	0.08%
<b>Total</b>	<b>1,25,855</b>	<b>100.00%</b>

### Financial Performance

Certain details of the audited financials of Anukaran Suppliers Private Limited are set forth below:

(Amount in Thousands)

Particulars	FY 2023	FY 2022	FY 2021
Total Income	2,648.86	2,526.83	881.07
Profit after Tax	2,599.68	753.31	(1100.56)
Equity Capital	1,258.55	1,258.55	1,258.55
Reserves & Surplus (excluding revaluation reserve)	11,361.54	8,761.86	8,008.54
Net worth	12,620.09	10,020.41	9,267.09
NAV per share (in rupees)	100.27	79.62	73.63
Earnings per share (EPS) (Basic & Diluted)	20.66	5.99	(8.74)
No. of Equity Shares of Rs. 10/- each (In Numbers)	1,25,855	1,25,855	1,25,855

## 2. SOLISYS SOLAR PRIVATE LIMITED

### Corporate Information

Solisys Solar Private Limited was incorporated under the Companies Act, 2013 on February 09, 2024, having CIN U35105WB2024PTC268231. The registered office of Solisys Solar Private Limited is situated at Ranihati Amta Road, JL NO. 76, PL NO. 3105, K NO 3655, Islampur, Howrah- 711401, West Bengal.

### Main Object of the Company

1. Electric power generation using solar energy, with manufacturing of solar frames and panels.

### Board of Directors

The Directors of Solisys Solar Private Limited as on the date of this Draft Red Herring Prospectus are as follows:

Name	Designation
Avinash Agarwal	Director
Sanjay Agarwal	Director

### Shareholding Pattern

The Shareholding Pattern of Solisys Solar Private Limited as on this Draft Red Herring Prospectus are as follows:

Shareholders Name	No. of shares	% of total holding
Sanjay Agarwal	3,00,000	60.00%
Aesthetik Engineers Limited	2,00,000	40.00%
<b>Total</b>	<b>5,00,000</b>	<b>100.00%</b>

### Financial Performance

As Solisys Solar Private Limited is incorporated on February 09, 2024, financial data pertinent to the company's operations is presently unavailable.

## 3. AESTHETIK RENEWABLES PRIVATE LIMITED

### Corporate Information

Aesthetik Renewables Private Limited was incorporated under the Companies Act, 2013 on February 18, 2024, having CIN U35105WB2024PTC268498. The registered office of Aesthetik Renewables Private Limited is situated at 1858/1, Rajdanga Main Road, 5th Floor, Unit 503, Kolkata, West Bengal, India, 700107.

### Main Object of the Company

1. To carry on the business of manufacturers, dealers, wholesalers, retailers, distributors, importers, exporters, assemblers and fabricators, repairers, maintainers, owners, agents and operators for all kinds of renewable energy modules and systems including but not limited to solar photovoltaic systems, modules, accessories and hybrid systems combining solar photovoltaic with other forms of renewable energy and basic components for such systems.
2. To render any kind of technical, administrative, consultancy or financial services in the field of renewable energy systems including but not limited to solar photovoltaic and hybrid systems combining solar photovoltaics with other forms of energy.

### 3. Board of Directors

The Directors of Aesthetik Renewables Private Limited as on the date of this Draft Red Herring Prospectus are as follows:

Name	Designation
Avinash Agarwal	Director
Abhishek Sawaria	Director

### Shareholding Pattern

The Shareholding Pattern of Aesthetik Renewables Private Limited as on this Draft Red Herring Prospectus are as follows:

Shareholders Name	No. of shares	% of total holding
Avinash Agarwal	50,000	50.00%
Vijay Kumar Agarwal	50,000	50.00%
<b>Total</b>	<b>1,00,000</b>	<b>100.00%</b>

### Financial Performance

As Aesthetik Renewables Private Limited is incorporated on February 18, 2024, financial data pertinent to the company's operations is presently unavailable.

## 4. HINDUSTHAN LACE MFG CORPN PVT LTD

### Corporate Information

Hindusthan Lace Mfg Corpn Pvt Ltd was incorporated under the Companies Act, 1913 on April 07, 1948, having CIN U17116WB1948PTC016539. The registered office of Hindusthan Lace Mfg Corpn Pvt Ltd is situated at Jain Kunj Hide Road, Kolkata, West Bengal, India, 700043.

### Main Object of the Company

1. To carry on all or any of the business of lace manufacture, silk mercers, silk weavers, cotton spinners, cloth manufacturers, furriers, haberdashers, hosiery manufacturers, exporters, importers wholesale and retail dealers of and in textile fabrics of all kinds, milliners, dressmakers, tailors, heaters, clothiers, outfitters, glovers and feather dressers.
2. To carry on business to buy, sale und deal in goods merchandise and property of all kinds.
3. To erect, contract establish, carry und maintain a factory or factories workshop or workshops for the purpose of any or all the above.
4. To buy, sell, manufactures, repair, alter and exchange, let on hire, export and deal in all- kinds of articles and things which may be required for the purpose of any of the said business as or commonly supplied or dealt in by persons engaged in any such business which may seem capable of being probably dealt with in connection with any of the said business.

### Board of Directors

The Directors of Hindusthan Lace Mfg Corpn Pvt Ltd as on the date of this Draft Red Herring Prospectus are as follows:

Name	Designation
Sushant gopal sureka	Director
Raj gopal sureka	Director
Archana sureka	Director
Aman gopal sureka	Director

## Shareholding Pattern

The Shareholding Pattern of Hindusthan Lace Mfg Corpn Pvt Ltd as on this Draft Red Herring Prospectus are as follows:

Shareholders Name	No. of shares	% of total holding
Raj Gopal Sureka	37545	25.03%
Aman Gopal Sureka	1300	0.87%
Sushant Gopal Sureka	20200	13.47%
Neetu Sureka	300	0.20%
Archana Sureka	34050	22.70%
Manisha Sureka	500	0.33%
Shanta Rani Sureka	56005	37.34%
Gopal Khandelwal	100	0.07%
<b>Total</b>	<b>150000</b>	<b>100.00%</b>

## Financial Performance

Certain details of the audited financials of Hindusthan Lace Mfg Corpn Pvt Ltd are set forth below:

(Amount in Thousands)

Particulars	FY 2023	FY 2022	FY 2021
Total Income	14,726	14,821	10623
Profit after Tax	98	195	-173
Equity Capital	1,500	1,500	1,500
Reserves & Surplus (excluding revaluation reserve)	(737)	(835)	(1,031)
Net worth	763	665	469
NAV per share (in rupees)	5.09	4.43	3.13
Earnings per share (EPS) (Basic & Diluted)	0.66	1.30	(1.15)
No. of Equity Shares of Rs. 10/- each (In Numbers)	1,50,000	1,50,000	1,50,000

## B. Other Group Entities

The details of our Group entities are provided below:

### 1. Avinash Agarwal (HUF)

<b>Name of the entity</b>	Avinash Agarwal (HUF)
<b>Karta</b>	Mr. Avinash Agarwal
<b>Operational Since</b>	20/04/2006
<b>Work Address</b>	Flat No-10801, 38, Panditia Road, Fort Oasis, Sarat Bose Road S.O., Kolkata-700029, West Bengal

## Financial Performance

Financial performance of last three years are set forth below:

(Amount in Thousands)

Particulars	FY 2023	FY 2022	FY 2021
Income from Salary	-	-	-
Income from House Property	840.00	840.00	840.00
Income from Business & Profession	362.28	152.89	270.94
Income from Capital Gains	-	596.40	280.18
Income from Other Sources	5.39	4.26	3.94
Total Taxable Income	947.94	1335.24	1137.08
Tax Paid/(Refund)	(13.82)	(4.28)	(14.02)

## 2. Vijay Kumar Agarwal (HUF)

<b>Name of the entity</b>	Vijay Kumar Agarwal (HUF)
<b>Karta</b>	Mr. Vijay Kumar Agarwal
<b>Operational Since</b>	Ancestral
<b>Work Address</b>	Flat No-10801, 38, Panditia Road, Fort Oasis, Sarat Bose Road S.O., Kolkata-700029, West Bengal

### Financial Performance

Financial performance of last three years are set forth below:

*(Amount in Thousands)*

<b>Particulars</b>	<b>FY 2023</b>	<b>FY 2022</b>	<b>FY 2021</b>
Income from Salary	-	-	-
Income from House Property	411.60	411.60	411.60
Income from Business & Profession	510.67	589.14	551.67
Income from Capital Gains	-	-	-
Income from Other Sources	16.55	40.87	156.73
Total Taxable Income	785.10	889.13	824.58
Tax Paid/ (Refund)	61.42	(13.94)	17.24

### DECLARATIONS

- None of the entities in the Promoter Group Companies is restrained by any SEBI Order or have ever become defunct.
- None of the entities in the Promoter Group Companies is listed at any Stock Exchange nor have such entities made any public issue or right issue in the preceding three years.
- None of the entities in the Promoter Group Companies has become a sick company under the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 nor is under winding up or liquidation.

### LITIGATIONS

For details on litigations and disputes pending against our Promoter Group and Group Companies please refer to the section titled “Outstanding Litigations and Material Developments” on page 260 of the Draft Red Herring Prospectus.

### DEFUNCT GROUP COMPANIES

There are no defunct Group Companies of our Company as on the date of this Draft Red Herring Prospectus.

### UNDERTAKING / CONFIRMATIONS

Our Promoters and Group Companies confirm that they have not been declared as a willful defaulter by the RBI or any other governmental authority and there have been no violations of securities laws committed by them or any entities they are connected with in the past and no proceedings pertaining to such penalties are pending against them.

None of the Promoters or Promoter Group Companies or persons in control of the Promoters has been:

- Prohibited from accessing the capital market under any order or direction passed by SEBI or any other authority; or
- Refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad. None

of the Promoters is or has ever been a promoter, director or person in control of any other company, which is debarred from accessing the capital markets under any order or direction passed by the SEBI.

#### **DISASSOCIATION BY THE PROMOTER IN THE LAST THREE YEARS**

None of our promoters have disassociated themselves from the any entities/firms during the preceding three years.

#### **OTHER DETAILS OF GROUP COMPANIES/ENTITIES:**

1. There are no defaults in meeting any statutory/ bank/ institutional dues.
2. No proceedings have been initiated for economic offences against our Group Companies/Entities.

#### **NATURE AND EXTENT OF INTEREST OF GROUP COMPANIES**

(a) **In the promotion of our Company**

None of our Group Companies have any interest in the promotion of our Company or any business interest or other interests in our Company, except to the extent identified chapter titled “Financial Information” and Note 31, “Related Party Transaction” on page 227 of this Draft Red Herring Prospectus.

(b) **In the properties acquired or proposed to be acquired by our Company in the past 2 years before filing the Draft Red Herring Prospectus with Stock Exchange**

Our Group Companies do not have any interest in the properties acquired or proposed to be acquired by our Company in the past 2 years before filing this Draft Red Herring Prospectus with Stock Exchange.

(c) **In transactions for acquisition of land, construction of building and supply of machinery**

None of our Group Companies is interested in any transactions for the acquisition of land, construction of building or supply of machinery.

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## **RELATED PARTY TRANSACTION**

For details on related party transaction of our Company, please refer to “Note no. 31” of Restated Financial Statements beginning on page 227 of this Draft Red Herring Prospectus.

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## **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.

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## SECTION VI – FINANCIAL INFORMATION

### FINANCIAL STATEMENTS AS RESTATED

#### Independent Auditor’s Examination report on Restated Financial Information of Aesthetik Engineers Limited (Previously Aesthetik Engineers Private Limited)

To,  
The Board of Directors,  
**Aesthetik Engineers Limited,**  
1858/1, 5th Floor, Unit 503-505, Acropolis Mall,  
Rajdanga Main Road, Kasba, Kolkata,  
West Bengal-700107, India

1. We have examined the accompanying Restated Financial Statements of **Aesthetik Engineers Limited** (formerly known as Aesthetik Engineers Private Limited) (the 'Company') for the period ended 31<sup>st</sup> December, 2023, 31<sup>st</sup> March 2023, 31<sup>st</sup> March 2022 and 31<sup>st</sup> March 2021 which comprise the Restated Balance Sheet, Restated Statement of Profit and Loss (including Other Comprehensive Income), Restated Cash flow Statement, Statement of Changes in Equity, summary of significant accounting policies and other explanatory information. The Restated Financial Statements have been prepared by the Management of the Company in connection with the proposed Initial Public Offering on EMERGE Platform (“IPO” or “EMERGE IPO”) of National Stock Exchange of India Limited (“NSE”) of the Company and initialed by us for identification purpose only.
2. This Statement which is the responsibility of the Company's management and approved by the Board of Directors of the company at their meeting held on April 12, 2024, and has been prepared in accordance with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (‘Ind AS’) and other accounting principles generally accepted in India with the requirements of:
  - (i) Section 26 of Part-I of Chapter III of Companies Act, 2013 (the “Act”) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (“ICDR Regulations”) and related amendments/ clarifications from time to time issued by the Securities and Exchange Board of India (“SEBI”);
  - (iii) The Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India (“Guidance Note”).
3. The Company’s Board of Directors is responsible for the preparation of the Restated Financial Statements for inclusion in the Draft Prospectus (“**Offer Document**”) to be filed with Securities and Exchange Board of India (SEBI), EMERGE platform (EMERGE IPO) of NSE Limited (NSE) & Registrar of Company (Kolkata). The restated Financial Statements have been prepared by the management of the Company on the basis of preparation stated in **Note - 1** to the Restated Financial Statements. The responsibility of the board of directors of the Company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statements. The board of directors are also responsible for identifying and ensuring that the Company complies with Ind AS, the Act, ICDR Regulations and the Guidance Note.

4. We have examined such Restated Financial Statements taking into consideration:

- i. The terms of reference and terms of our engagement letter requesting us to carry out the assignment, in connection with the proposed EMERGE IPO;
- ii. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
- iii. Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements;
- iv. 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. The Restated Financial Statements of the Company for the period ended 31<sup>st</sup> March, 2023, 2022 and 2021 have been compiled by the management from audited financial statements for the period ended March 31<sup>st</sup>, 2023, 2022 and 2021. The period for which the Financial Statement are Restated were audited by M/s N.K. Chirania & Co. and we have relied upon the report given by them that the Financial Statements are free from any material misstatements vide report dt. September 07, 2023 and September 05, 2022. There are no audit qualifications in the audit reports issued by previous auditors and which would require adjustments in the Restated Financial Statements of the Company. The financial report included for these years is based solely on the report submitted by them.

6. Based on our examination and according to information and explanations given to us, we are of the opinion that the Restated Financial Statements:

- i. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping / reclassifications retrospectively for the period ended on March 31<sup>st</sup>, 2023, 2022 and 2021.
- ii. have no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
- iii. have been prepared in accordance with the Act, Ind AS, ICDR Regulations and Guidance Note.
- iv. Present a true & fair view of the Company's state of affairs, Profit / Loss and Cash flow Statement.

7. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and Ind AS, we report that:

- The “**Restated Balance Sheet**” of the Company as at December 31<sup>st</sup> 2023, March 31<sup>st</sup>, 2023, March 31<sup>st</sup>, 2022 and March 31<sup>st</sup>, 2021 examined by us as set out in **Annexure - I** to this report read with significant accounting policies and other explanatory information in Notes **Annexure - IV**;
- The “**Restated Statement of Profit and Loss**” of the Company for the period ended on December 31<sup>st</sup> 2023, March 31<sup>st</sup>, 2023, March 31<sup>st</sup> 2022 and March 31<sup>st</sup>, 2021 examined by us, as set out in **Annexure - II** to this report read with significant accounting policies and other explanatory information in Notes in **Annexure - IV**;
- The “**restated statement of cash flows**” of the Company for the period ended on December 31<sup>st</sup> 2023, March 31<sup>st</sup>, 2023, March 31<sup>st</sup> 2022 and March 31<sup>st</sup>, 2021 examined by us, as set out in **Annexure - III** to this report read with significant accounting policies and other explanatory information in Notes **Annexure - IV**; has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated financial statements to this report.

8. We have also examined the other financial information relating to the Company prepared by the management and as approved by the board of directors of the Company and annexed to this report relating to the Company for the financial period/year ended on 31<sup>st</sup> December 2023, 31<sup>st</sup> March 2023, 31<sup>st</sup> March 2022 and 31<sup>st</sup> March 2021 proposed to be included in the Draft. The reinstated Financial Statement & Other Financial Information forming part of the report and annexed herewith are as under:

<b>Annexure No.</b>	<b>Particulars</b>
I	Restated Statements of Assets and Liabilities
II	Restated Statement of Profit and Loss
III	Statement of Cash Flow, as Restated
IV	Statement of Change in Equity (SOCE) & Notes to Re-stated Financial Statements

<b>Notes No.</b>	<b>Particulars</b>
1	Statement of Significant Accounting Policy
2	Restated Statement of Property Plant and Equipment & Depreciations
3	Restated Statement of Other financial assets
4	Restated Statement of Deferred Tax Assets (Net)
5	Restated Statement of Other Non - Current Assets
6	Restated Statement of Inventories
7	Restated Statement of Trade Receivables
8	Restated Statement of Cash and Cash Equivalents
9	Restated Statement of Current Tax Assets (Net)
10	Restated Statement of Other Current Assets
11	Restated Statement of Equity Share Capital
12	Restated Statement of Other Equity
13	Restated Statement of Borrowings (Non – Current Liabilities)
14	Restated Statement of Borrowings (Current Liabilities)
15	Restated Statement of Trade Payables
16	Restated Statement of Other Current Liabilities
17	Restated Statement of Provisions
18	Restated Statement of Current Tax Liability (Net)
19	Restated Statement of Revenue from operations
20	Restated Statement of Other Income
21	Restated Statement of Cost of Materials Consumed
22	Restated Statement of Change in Work-in-progress
23	Restated Statement of Employee Benefits Expenses
24	Restated Statement of Finance costs
25	Restated Statement of Depreciation and Amortisation Expense
26	Restated Statement of Other expenses
27	Restated Statement for Tax Expenses
28	Restated Statement for EPS
29-48	Other Notes to Accounts as per requirement

9. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
11. Our report is intended solely for the information and use of the Board of Directors of the Company for inclusion in the offer document to be filed with SEBI, NSE, and Registrar of Companies (Kolkata) in connection with the proposed EMERGE IPO. 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, Maroti and Associates,  
Chartered Accountants  
Firm Registration No.: 322770E**

**Sd/-  
CA Radhika Patodia  
Partner  
Membership No.: 309219**

**UDIN: 24309219BKGPIK5177**

**Place: Kolkata  
Date: 12.04.2024**

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**RESTATED STATEMENT OF ASSETS AND LIABILITIES**

**ANNEXURE – I**  
(Amt in Thousands)

Particulars	Note no.	As at 31st Dec, 2023	As at 31st March, 2023	As at 31st March, 2022	As at 31 <sup>st</sup> March, 2021
<b>Assets</b>					
<b>Non-Current Assets</b>					
a) Property, Plant and Equipment and Intangible assets	2	17,691.50	37,407.00	38,925.59	40,774.08
b) Financial Assets					
i) Other financial asset	3	22,709.12	44,250.31	38,817.84	17,193.03
c) Deferred tax assets (Net)	4	1,490.68	1,649.71	1,616.06	1,590.01
d) Other Non-Current Assets	5	15,484.45	18,589.96	15,592.08	22,948.02
		<b>57,375.74</b>	<b>1,01,896.97</b>	<b>94,951.58</b>	<b>82,505.15</b>
<b>Current Assets</b>					
a) Inventories	6	71,695.22	48,364.00	42,894.33	37,218.05
b) Financial assets					
i) Trade receivables	7	1,52,736.20	72,339.12	69,850.27	39,240.64
ii) Cash and Cash equivalents	8	10,132.83	2,609.02	3,042.89	29,964.75
c) Current Tax assets (Net)	9	-	4,109.21	2,996.10	1,611.96
d) Other current assets	10	40,894.23	16,458.57	15,397.15	3,290.35
		<b>2,75,458.48</b>	<b>1,43,879.93</b>	<b>1,34,180.74</b>	<b>1,11,325.75</b>
<b>Total Assets</b>		<b>3,32,834.22</b>	<b>2,45,776.90</b>	<b>2,29,132.32</b>	<b>1,93,830.90</b>
<b>Equity and Liabilities</b>					
<b>Equity</b>					
a) Equity Share Capital	11	8,437.45	8,437.45	8,437.45	8,437.45
b) Other Equity	12	1,31,457.06	91,504.35	80,245.64	84,758.10
		<b>1,39,894.51</b>	<b>99,941.80</b>	<b>88,683.09</b>	<b>93,195.55</b>
<b>Non-Current Liabilities</b>					
a) Financial liabilities					
i) Borrowings	13	45,194.40	14,125.00	32,242.38	54,134.70
		<b>45,194.40</b>	<b>14,125.00</b>	<b>32,242.38</b>	<b>54,134.70</b>
<b>Current Liabilities</b>					
a) Financial liabilities					
i) Borrowings	14	14,558.15	45,121.54	7,916.54	7,938.01
ii) Trade payables					
(A) total outstanding dues of micro enterprises and small enterprises;		-	-	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	15	90,120.71	44,321.22	45,436.23	13,273.66
b) Other current liabilities	16	34,954.72	40,950.96	53,987.25	24,538.41
c) Provisions	17	1,088.88	1,316.37	866.83	750.58
d) Current tax Liability (Net)	18	7,022.86	-	-	-
		<b>1,47,745.31</b>	<b>1,31,710.09</b>	<b>1,08,206.85</b>	<b>46,500.65</b>
<b>Total Equity and Liabilities</b>		<b>3,32,834.22</b>	<b>2,45,776.89</b>	<b>2,29,132.31</b>	<b>1,93,830.90</b>

RESTATED STATEMENT OF PROFIT AND LOSS

Particulars		Note No.	For the period ended 31 December, 2023	For the period ended 31 March, 2023	For the period ended 31 March, 2022	For the period ended 31 March, 2021
<b>1</b>	Revenue from operations	19	4,72,631.19	4,00,097.64	2,57,391.17	1,35,805.27
<b>2</b>	Other income	20	694.65	3,484.67	1,945.94	1,538.19
	<b>Total Income (1+2)</b>		<b>4,73,325.84</b>	<b>4,03,582.31</b>	<b>2,59,337.11</b>	<b>1,37,343.46</b>
<b>3</b>	<b>Expenditure</b>					
	(a) Raw material consumption	21	3,47,988.75	3,43,021.77	2,12,405.32	1,03,306.44
	(b) Change in inventories of finished goods, work-in-progress and stock in trade	22	(8,046.48)	(7,433.75)	2,890.65	(3,709.90)
	(c) Employee benefit expenses	23	12,790.91	8,391.86	4,768.98	5,693.59
	(d) Finance cost	24	5,093.83	5,532.21	3,098.97	5,418.11
	(e) Depreciation and Amortisation expenses	25	2,663.90	3,342.57	3,420.90	3,471.89
	(f) Other expenses	26	59,153.61	35,659.49	25,829.05	22,769.81
	(g) Provision for doubtful debts		-	-	-	-
<b>4</b>	<b>Total expenditure</b>		<b>4,19,644.52</b>	<b>3,88,514.15</b>	<b>2,52,413.87</b>	<b>1,36,949.95</b>
<b>5</b>	<b>Profit/Loss before exceptional &amp; extraordinary items &amp; tax (2-4)</b>		<b>53,681.32</b>	<b>15,068.16</b>	<b>6,923.24</b>	<b>393.52</b>
<b>6</b>	<b>Exceptional and extraordinary items</b>					
	Prior period items		-	-	-	-
<b>7</b>	<b>Profit/Loss before tax (5-6)</b>		<b>53,681.32</b>	<b>15,068.16</b>	<b>6,923.24</b>	<b>393.52</b>
<b>8</b>	<b>Tax expense</b>	<b>27</b>				
	(a) Tax expense for current year		13,569.58	3,843.10	11,461.74	434.49
	(b) Short/Excess provision of earlier year		-	-	-	-
	(c) Deferred tax		159.03	(33.65)	(26.05)	(2,415.60)
	<b>Net current tax expenses</b>		<b>13,728.61</b>	<b>3,809.45</b>	<b>11,435.69</b>	<b>(1,981.11)</b>
<b>9</b>	<b>Profit/Loss for the year (7-8)</b>		<b>39,952.71</b>	<b>11,258.71</b>	<b>(4,512.46)</b>	<b>2,374.62</b>
	<b>Other comprehensive income</b>					
	A. (i) Items that will be reclassified to profit and loss					
	(ii) Income tax relating to items that will be reclassified to profit or loss					
	B. Items that will not be reclassified to profit and loss					
	(i) Remeasurement of the employees benefit		-	-	-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-	-	(899.87)
	(iii) Revaluation Reserve on Land		-	-	-	3,575.47
	Other Comprehensive Loss for the year		-	-	-	2,675.59

**AESTHETIK**

ENGINEERS LIMITED

	<b>Total Comprehensive Income/(Loss) for the period (VII+VIII)</b>		<b>39,952.71</b>	<b>11,258.71</b>	<b>(4,512.46)</b>	<b>5,050.22</b>
	(Comprising Profit/(Loss) and Other Comprehensive Income for the period)		-	-	-	-
	<b>Earning per Equity Share of Rs. 10 each (in Rupees)</b>	<b>28</b>				
	<b>Basic &amp; Diluted EPS</b>		47.53	13.34	(5.35)	2.81

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RESTATED CASH FLOW STATEMENT

(Amt in Thousands)

		For the period ended 31 December,2023	For the period ended 31 March, 2023	For the period ended 31 March, 2022	For the period ended 31 March, 2021
	<b>Particulars</b>				
<b>A)</b>	<b><u>CASH FLOW FROM OPERATING ACTIVITIES:</u></b>				
	Net Profit before Tax & Extra-ordinary items	53,681.32	15,068.16	6,923.24	393.52
	<b>Adjustments for :</b>				
	Depreciation	2,663.90	3,342.57	3,420.90	3,471.89
	Interest Income	(214.55)	(106.57)	(853.26)	(1,264.92)
	Loss on Surrender *	2,080.95	-	-	-
	Interest Expense	5,093.83	5,532.21	3,093.97	5,418.11
	Provision for Trade Receivables	(92.19)	(242.20)	447.74	999.05
	Provision for Gratuity	(227.50)	449.55	116.25	750.58
	(Profit)/ Loss on sale of fixed assets	(207.51)	-	0.11	-
	Interest on Income Tax Refund	(174.82)	-	-	-
	<b>Operating Profit before working capital changes.</b>	<b>62,603.44</b>	<b>24,043.72</b>	<b>13,148.94</b>	<b>9,768.23</b>
	<b>Changes in working capital</b>				
	Short Term Borrowings	(30,563.39)	37,205.00	(21.47)	3,230.85
	Trade payables	45,799.49	(1,115.01)	32,162.57	(18,851.92)
	Other Current Liabilities	(5,996.24)	(13,036.29)	29,448.85	(10,953.23)
	Inventories	(23,331.23)	(5,469.67)	(5,676.28)	11,425.58
	Trade receivables	(80,304.89)	(2,246.65)	(31,057.38)	(12,084.76)
	Other Current Assets & current tax assets	(13,253.26)	(2,174.53)	(13,490.93)	8,763.70
	<b>Cash Utilised / from Operation</b>	<b>(45,096.42)</b>	<b>37,206.57</b>	<b>24,514.31</b>	<b>(8,701.56)</b>
	Direct Tax Paid	(13,394.77)	(3,843.10)	(11,461.74)	(434.49)
	<b>Net Cash from/utilised in Operating Activities</b>	<b>(58,491.18)</b>	<b>33,363.47</b>	<b>13,052.57</b>	<b>(9,136.05)</b>
	(A)				
<b>B</b>	<b><u>CASH FLOW FROM INVESTING ACTIVITIES :</u></b>				
	Disposal of Fixed Assets	16,690.42	-	40.00	689.95
	Investment in Fixed Assets	(1,512.25)	(1,823.98)	(1,612.52)	(5,242.60)
	Proceeds from Insurance claim for damaged Fixed Assets	-	-	-	2,165.78
	Interest	214.55	106.57	853.26	1,264.92
	Other Financial Assets	21,541.19	(5,432.47)	(21,624.81)	17,695.82
	Other non-current assets	3,105.51	(2,997.87)	7,355.94	(2,388.93)
	<b>Net Cash from/used in investing Activities</b>	<b>40,039.42</b>	<b>(10,147.75)</b>	<b>(14,988.13)</b>	<b>14,184.94</b>
	(B)				
<b>C</b>	<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES :</u></b>				
	Interest Paid	(5,093.83)	(5,532.21)	(3,093.97)	(5,418.11)
	Acceptance/(Repayment) of long term borrowings	31,069.40	(18,117.38)	(21,892.33)	5,696.32
	<b>Net Cash from/utilised in Financial Activities</b>	<b>25,975.57</b>	<b>(23,649.58)</b>	<b>(24,986.29)</b>	<b>278.20</b>
	(C)				
	Net Increase / decrease in Cash & Cash Equivalents (A+B+C )	7,523.80	(433.87)	(26,921.86)	5,327.09
	Cash & Cash Equivalents (Opening Balance)	2,609.02	3,042.89	29,964.75	24,637.66
	<b>Cash &amp; Cash Equivalents (Closing Balance)</b>	<b>10,132.83</b>	<b>2,609.02</b>	<b>3,042.89</b>	<b>29,964.75</b>

**SUMMARY STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

**Note - 1**

**1. Corporate Information**

Aesthetik Engineers Limited (formerly known as Aesthetik Engineers Private Limited) ('the company') is an unlisted company incorporated in India in 2008 under the Companies Act, 1956. The registered office of the Company is at 1858/1, 5th Floor, Unit 503-505, Acropolis Mall, Rajdanga Main Road, Kasba, Kolkata, West Bengal-700107, India. The Company has been converted from Private Company to Public Company on 24<sup>th</sup> January, 2024.

The Company is primarily engaged in business of all-inclusive contractor which provides building facade design, engineering, fabrication, performance testing and final installation of building facades, aluminum doors and windows.

**2. Significant Accounting Policies**

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements and in preparing the opening Ind AS Balance Sheet as at April 1, 2021 for the purpose of transition to Ind AS, unless otherwise indicated.

**a. Statement of compliance**

The restated financial statements for the period ended 31 March 2023, 31 March 2022, and 31 March 2021 have been complied by the Management from the audited Financial Statement for the period ended 31 March 2023, 31 March 2022, and 31 March 2021 in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

**b. Basis of preparation**

The restated financial statements as on 31 December 2023, 31 March 2023, 31 March 2022, and 31 March 2021 have been prepared under the historical cost convention, on the accrual basis of accounting, with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS. The accounting policies have been applied consistently over all the periods presented in these financial statements. Restated Financials Statements have been prepared to comply in all material respects with the provisions of Part I of Chapter III of the Companies Act, 2013 (the "Act") read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations") issued by SEBI and Guidance note on Reports in Companies Prospectuses (Revised 2019) ("Guidance Note"). Restated Financials Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the EMERGE IPO in connection with its proposed IPO. The Company's management has recast the Financial Statements in the form required by Schedule III of the Companies Act, 2013 for the above referred purpose of restated Financial Statements.

The financial statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest thousands, except otherwise stated. "Per share" data is presented in Indian Rupees upto two decimals places.

**c. Fair value measurement**

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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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 recognized in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

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.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Investment in quoted and unquoted equity shares
- Financial instruments

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**e. Use of estimates and critical accounting judgements**

In preparation of the financial statements, the management makes judgments, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.

Significant judgments and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies.

**f. Property, Plant and Equipment**

*Recognition and initial measurement*

An item of property, plant and equipment is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is de-recognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses if any. 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. Trial run expenses (net of revenue) are capitalised. Borrowing costs incurred during the period of construction is capitalised as part of cost of the qualifying assets.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of profit and loss.

*De-recognition*

An item of property, plant and equipment and any significant part initially recognised is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

**g. Depreciation of property plant and equipment**

Depreciation or amortisation is provided so as to write off, on a Written down value basis, the cost of property, plant and equipment and other intangible assets, including those held under finance leases to their residual value. These charges are commenced from the dates the assets are available for their intended use and are spread over their estimated useful

economic lives as per the useful life prescribed in Schedule II to the Companies Act, 2013, or, as per technical assessment, or, in the case of leased assets, over the lease period, if shorter. The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised. No further charge is provided in respect of assets that are fully written down but are still in use.

In case of certain classes of PPE, the Company uses different useful lives than those prescribed in Schedule II to the Act. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets.

Freehold land is not depreciated.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

#### **h. Impairment of non-financial assets- Property, Plant and Equipment and Intangible Assets**

At each balance sheet date, the Company reviews the carrying values of its property, plant and equipment and intangible assets to determine whether there is any indication that the carrying value of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit (CGU) to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. An impairment loss is recognised in the statement of profit and loss as and when the carrying value of an asset exceeds its recoverable amount.

Where an impairment loss subsequently reverses, the carrying value of the asset (or CGU) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or CGU) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

#### **g. Financial Instruments**

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

##### **Initial Recognition:**

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

##### **Classification and Subsequent Measurement: Financial Assets**

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

**a. Equity investments in Subsidiaries, Associates and Joint Venture**

The Company accounts for its investment in subsidiaries, joint ventures and associates and other equity investments in subsidiary companies at cost in accordance with Ind AS 27 - 'Separate Financial Statements'.

**b. Equity investments (other than investments in subsidiaries, associates and joint venture)**

All equity investments falling within the scope of Ind-AS 109 are mandatorily measured at Fair Value through Profit and Loss (FVTPL) with all fair value changes recognized in the Statement of Profit and Loss.

The Company has an irrevocable option of designating certain equity instruments as FVOCI. Option of designating instruments as FVOCI is done on an instrument-by-instrument basis. The classification made on initial recognition is irrevocable.

If the Company decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument are recognized in Statement of Other Comprehensive Income (SOI). Amounts from SOI are not subsequently transferred to profit and loss, even on sale of investment.

**Amortised Cost (AC)**

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Fair Value through Other Comprehensive Income (FVTOCI)**

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Fair Value through Profit or Loss (FVTPL)**

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

The Company has measured quoted equity instruments at fair value through profit or loss.

**Classification and Subsequent Measurement: Financial liabilities**

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

**Financial Liabilities at FVTPL**

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL:

Gains or Losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

**Other Financial Liabilities**

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

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

### **Compound financial instruments**

Compound financial instruments issued by the company is an instrument which creates a financial liability on the issuer and which can be converted into fixed number of equity shares at the option of the holders.

Such instruments are initially recognised by separately accounting the liability and the equity components. The liability component is initially recognised at the fair value of a comparable liability that does not have an equity conversion option. The equity component is initially recognised as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. The directly attributable transaction costs are allocated to the liability and the equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of the compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequently.

### **Impairment of financial assets**

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

### **Derecognition of financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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 other comprehensive income 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.

### **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

## **h. Inventories**

Raw materials, stores and spares & traded goods are valued at lower of cost and net realizable value. However, material and other items held for use in the production of finished goods are not written down below cost if the finished products, in which they will be incorporated are expected to be sold at or above cost.

Work-in-progress and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty and is determined on weighted average basis.

By-products are valued at estimated net realizable value.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

**i. Provisions, Contingent liabilities and Contingent assets**

A Provision is recognised when the company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of time value of money and the risks specific to the liability. The increase in the provision due to passage of time is recognised as interest expense.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

**j. Non-current assets held for sale and discontinued operations**

Non-current assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

Assets and disposal groups are classified as held for sale if their carrying value will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value. The Company must also be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Where a disposal group represents a separate major line of business or geographical area of operations, or is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, then it is treated as a discontinued operation. The post-tax profit or loss of the discontinued operation together with the gain or loss recognised on its disposal are disclosed as a single amount in the statement of profit and loss, with all prior periods being presented on this basis.

**k. Income taxes**

Income tax expense represents the sum of the tax currently payable and deferred tax.

**Current tax**

Current tax is the amount of tax payable based on the taxable profit for the period as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws in the countries where the Company operates and generates taxable income.

**Deferred tax**

Deferred tax is recognised 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. Deferred tax liabilities are generally

recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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 all or part of the asset to be recovered.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### **Current and deferred tax for the year**

Current and deferred tax are recognised in profit or loss, except when they are relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

## **I. Revenue recognition**

### **A) Revenue**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured regardless of when the payment is being received. Revenue is measured at the fair value of the consideration received or receivable net of discount, taking into account contractually defined terms and excluding taxes and duties collected on behalf of the Government.

### **Service Contracts**

For service contracts in which the company has the right to consideration from the customer in an amount that corresponds directly with the value to the customer of the company's performance completed to date, revenue is recognized when services are performed and contractually billable.

### **Sale of goods**

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

The Company's claim for extra work, incentives and escalation in rates relating to execution of contracts are recognized as revenue in the year in which said claims are finally accepted by the clients. Claims under arbitration/disputes are accounted as income based on final award. Expenses on arbitration are accounted as incurred. Claims - are recognised on its approval from client/ authority/courts decision or its surety of receipt (not on assessment).

### **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 assets represent revenue recognized in excess of amounts billed and include unbilled receivables.

Unbilled receivables, which represent an unconditional right to payment subject only to the passage of time, are reclassified to accounts receivable when they are billed under the terms of the contract.

### **Contract Liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

Contract liabilities include unearned revenue which represent amounts billed to clients in excess of revenue recognized to date and advances received from customers. For contracts where progress billing exceeds, the aggregate of contract costs incurred to date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as unearned revenue. Amounts received before the related work is performed are disclosed in the balance sheet as contract liability and termed as advances received from customers.

### **m. Other Income**

#### **Interest income**

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

#### **Dividend income**

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

### **r. Foreign currency transactions**

The financial statements of the Company are presented in Indian rupees (₹), which is the functional currency of the Company and the presentation currency for the financial statements.

In preparing the financial statements, transactions in currencies other than the Company's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Nonmonetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on translation of long term foreign currency monetary items recognised in the financial statements before the beginning of the first Ind AS financial reporting period in respect of which the Company has elected to recognise such exchange differences in equity or as part of cost of assets as allowed under Ind AS 101-“First time adoption of Indian Accounting Standard” are recognised directly in equity or added/deducted to/ from the cost of assets as the case may be. Such exchange differences recognised in equity or as part of cost of assets is recognised in the statement of profit and loss on a systematic basis.

Exchange differences arising on the retranslation or settlement of other monetary items are included in the statement of

profit and loss for the period.

**s. Finance costs**

Finance costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the interest costs.

**t. Earnings per share**

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

**u. Employee Benefits Expense**

(i) **Short term employee benefits:** All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, performance incentives, etc., are recognised as an expense at the undiscounted amount in the Statement of profit and loss for the year in which the employee renders the related service.

(ii) **Post Employment Benefits:** Post retirement benefits like provident fund, superannuation, gratuity and post-retirement medical benefits are provided for as below:

(a) **Defined Contribution Plans:** Contributions under Defined contribution plans i.e. provident fund & gratuity are recognised in the Statement of profit and loss in the period in which the employee has rendered the service.

(b) **Defined Benefit Plans:** For defined benefit retirement schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each year end balance sheet date. Re-measurement gains and losses of the net defined benefit liability/(asset) are recognised immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/(asset) is recognised as an expense within employment costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value of plan assets.

**v. Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

**w. Cash and cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with the financial institutions, other short term, highly liquid investments with original maturities of three months or less (except the instruments which are pledged) that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

**x. Trade and other payables**

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within the credit period allowed. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Long term trade payables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**C. Notes on Reconciliation of Restated Profits**

(Rs. in '000)

Particulars	For the period ended on March 31 <sup>st</sup> , 2023	For the period ended on March 31 <sup>st</sup> , 2022	For the period ended on April 1 <sup>st</sup> , 2021
<b>Net Profit / Loss as per Audited Profit &amp; Loss Accounts</b>	<b>11413.87</b>	<b>(4090.41)</b>	<b>2140.63</b>
<b>Adjustment for:</b>			
Provision for Trade Receivables (ECL)	242.20	447.74	(999.05)
Remeasurement of Employee Benefits	(449.55)	(116.25)	(750.58)
Deferred Tax	52.18	141.95	1983.61
<b>Restated Profit after Tax</b>	<b>11258.71</b>	<b>(4512.46)</b>	<b>2374.62</b>
<b>Adjustment for OCI:</b>			
Revaluation of Property, Plant & Equipment	-	-	3575.47
Deferred Tax	-	-	(899.87)
<b>Total Comprehensive Profit / Loss after Restatement</b>	<b>11258.71</b>	<b>(4512.46)</b>	<b>5050.22</b>

**Explanatory notes to the above restatements to profits made in the audited Standalone Financial Statements of the Company for the respective years:**

- (a) **Gratuity:** The Company has not provided for gratuity provision since incorporation till FY 2021 which has now been restated for the FY 2022-23 based on the actuarial valuation report and for the FY 2021-22 based on management estimates.
- (b) **Deferred Tax:** Due to above restatement impacts and using correct income tax enacted rates, deferred tax expenses has been restated accordingly and presented.

**D. Adjustments having no Impact on Profit:**

**(a) Material Regrouping:**

Appropriate regroupings have been made in the Restated Financial Statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited Standalone Financial Statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

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## 2. Property, Plant and Equipment

As at December 31, 2023

(Amount in Thousands)

Particulars	Gross block				Accumulated Depreciation						Net Block
	1st April 2023	Additions	Revaluation	Disposals/ Adjustments	31st December 2023	1st April 2023	Additions	Dep. On Revalued Assets	Disposals/ Adjustments	31st December 2023	31st December 2023
(a) Computer	1,190.57	258.30	-	320.58	1,128.29	797.11	208.25	-	301.14	704.22	424.07
(b) Furniture and Fixtures	6,240.17	-	-	35.20	6,204.97	3,398.16	443.94	-	14.84	3,827.25	2,377.71
(c) Vehicles	127.16	85.58	-	-	212.74	66.58	13.03	-	-	79.61	133.13
(d) Office Equipment	313.53	-	-	265.31	48.22	279.41	11.88	-	250.79	40.50	7.72
(e) Tools and Machinery	19,813.32	300.00	-	1,525.63	18,587.69	9,060.23	1,631.61	-	1,164.08	9,527.77	9,059.93
(f) Mobile Phone	481.07	178.37	-	128.69	530.75	98.46	77.52	-	63.12	112.86	417.89
(g) Air Conditioner	773.03	-	-	25.00	748.03	83.77	108.22	-	25.00	166.99	581.04
(h) Camera	205.42	-	-	73.26	132.16	118.14	28.64	-	72.47	74.32	57.84
(i) Automatic Attendance Machine	23.50	-	-	1.65	21.85	11.58	3.27	-	0.97	13.88	7.97
(j) Land	16,000.00	-	-	16,000.00	-	-	-	-	-	-	-
(k) Factory at Goshala (taken on Lease for 21 years)	2,080.95	-	-	2,080.95	-	-	-	-	-	-	-
(l) Factory Shed	3,478.11	-	-	-	3,478.11	334.31	81.56	-	-	415.88	3,062.23
(m) Ongrid Solar Power System	1,050.00	690.00	-	-	1,740.00	122.08	55.98	-	-	178.06	1,561.94
<b>Total</b>	<b>51,776.83</b>	<b>1,512.25</b>	<b>-</b>	<b>20,456.27</b>	<b>32,832.82</b>	<b>14,369.83</b>	<b>2,663.90</b>	<b>-</b>	<b>1,892.41</b>	<b>15,141.32</b>	<b>17,691.50</b>

As at March 31, 2023

(Amount in thousands)

Particulars	Gross block				Accumulated Depreciation						Net Block
	31st March 2022	Additions	Revaluation	Disposals/ Adjustments	31st March 2023	31st March 2022	Additions	Dep. On Revalued Assets	Disposals/ Adjustments	31st March 2023	31st March 2023
(a) Computer	991.00	199.57	-	-	1,190.57	536.57	260.54	-	-	797.11	393.46
(b) Furniture and Fixtures	6,240.17	-	-	-	6,240.17	2,805.14	593.02	-	-	3,398.16	2,842.01
(c) Vehicles	127.16	-	-	-	127.16	51.47	15.11	-	-	66.58	60.58
(d) Office Equipment	313.53	-	-	-	313.53	266.30	13.11	-	-	279.41	34.12
(e) Tools and Machinery	19,082.82	730.50	-	-	19,813.32	6,861.62	2,198.61	-	-	9,060.23	10,753.09
(f) Mobile Phone	262.77	218.30	-	-	481.07	32.32	66.14	-	-	98.46	382.61
(g) Air Conditioner	97.42	675.61	-	-	773.03	41.69	42.08	-	-	83.77	689.26
(h) Camera	205.42	-	-	-	205.42	79.10	39.04	-	-	118.14	87.28



**AESTHETIK**

(i) Automatic Attendance Machine	23.50	-	-	-	23.50	7.12	4.46	-	-	11.58	11.92
(j) Land	16,000.00	-	-	-	16,000.00	-	-	-	-	-	16,000.00
(k) Factory at Goshala (taken on Lease for 21 years)	2,080.95	-	-	-	2,080.95	-	-	-	-	-	2,080.95
(l) Factory Shed	3,478.11	-	-	-	3,478.11	290.35	43.96	-	-	334.31	3,143.80
(m) Ongrid Solar Power System	1,050.00	-	-	-	1,050.00	55.58	66.50	-	-	122.08	927.93
<b>Total</b>	<b>49,952.85</b>	<b>1,823.98</b>	-	-	<b>51,776.83</b>	<b>11,027.26</b>	<b>3,342.57</b>	-	-	<b>14,369.83</b>	<b>37,407.00</b>

As at March 31, 2022

(Amount in thousands)

Particulars	Gross block				Accumulated Depreciation						Net Block
	Deemed Cost as on 31 <sup>st</sup> March 2021	Additions	Revaluation	Disposals/ Adjustments	31 <sup>st</sup> March 2022	1 <sup>st</sup> April 2021	Additions	Dep. On Revalued Asssets	Disposals/ Adjustments	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2022
(a) Computer	806.29	184.71	-	-	991.00	278.77	257.80	-	-	536.57	454.43
(b) Furniture and Fixtures	6,206.46	33.71	-	-	6,240.17	2,213.02	592.11	-	-	2,805.14	3,435.03
(c) Vehicles	172.16	-	-	45.00	127.16	37.07	19.30	-	4.89	51.47	75.69
(d) Office Equipment	313.53	-	-	-	313.53	213.95	52.36	-	-	266.30	47.23
(e) Tools and Machinery	19,049.82	33.00	-	-	19,082.82	4,601.16	2,260.47	-	-	6,861.62	12,221.20
(f) Mobile Phone	25.90	236.87	-	-	262.77	10.03	22.29	-	-	32.32	230.45
(g) Air Conditioner	97.42	-	-	-	97.42	23.18	18.51	-	-	41.69	55.73
(h) Camera	131.18	74.24	-	-	205.42	50.20	28.90	-	-	79.10	126.32
(i) Automatic Attendance Machine	23.50	-	-	-	23.50	2.65	4.47	-	-	7.12	16.38
(j) Land	16,000.00	-	-	-	16,000.00	-	-	-	-	-	16,000.00
(k) Factory at Goshala (taken on Lease for 21 years)	2,080.95	-	-	-	2,080.95	-	-	-	-	-	2,080.95
(l) Factory Shed	3,478.11	-	-	-	3,478.11	181.23	109.12	-	-	290.35	3,187.76

(m) Ongrid Solar Power System	-	1,050.00	-	-	1,050.00	-	55.58	-	-	55.58	994.43
<b>Total</b>	<b>48,385.33</b>	<b>1,612.52</b>	<b>-</b>	<b>45.00</b>	<b>49,952.85</b>	<b>7,611.25</b>	<b>3,420.90</b>	<b>-</b>	<b>4.89</b>	<b>11,027.26</b>	<b>38,925.59</b>

As at March 31, 2021

(Amount in thousands)

Particulars	Gross block				Accumulated Depreciation						Net Block
	Deemed Cost as on 1 <sup>st</sup> April 2020	Additions	Revaluation	Disposals/ Adjustments	31st March 2021	1st April 2020	Additions	Dep. On Revalued Assets	Disposals/ Adjustments	31st March 2021	31st March 2021
(a) Computer	1,016.39	426.29	-	636.39	806.29	683.85	205.96	-	611.04	278.77	527.52
(b) Furniture and Fixtures	6,326.23	75.71	-	195.48	6,206.46	1,747.62	605.99	-	140.60	2,213.02	3,993.44
(c) Vehicles	176.21	45.00	-	49.05	172.16	54.31	21.64	-	38.89	37.07	135.10
(d) Office Equipment	360.36	29.66	-	76.49	313.53	217.38	63.04	-	66.47	213.95	99.59
(e) Tools and Machinery	19,886.68	4,546.73	-	5,383.59	19,049.82	7,204.48	2,333.08	-	4,936.40	4,601.16	14,448.67
(f) Mobile Phone	760.84	-	-	734.93	25.90	534.34	85.28	-	609.59	10.03	15.88
(g) Air Conditioner	122.89	72.42	-	97.89	97.42	102.09	14.08	-	93.00	23.18	74.25
(h) Camera	198.21	-	-	67.03	131.18	74.40	32.96	-	57.15	50.20	80.98
(i) Automatic Attendance Machine	31.59	23.50	-	31.59	23.50	28.60	3.41	-	29.36	2.65	20.85
(j) Land	12,424.53	-	3,575.47	-	16,000.00	-	-	-	-	-	16,000.00
(k) Factory at Goshala (taken on Lease for 21 years)	2,080.95	-	-	-	2,080.95	-	-	-	-	-	2,080.95
(l) Factory Shed	5,620.60	23.29	-	2,165.78	3,478.11	74.78	106.45	-	-	181.23	3,296.88
<b>Total</b>	<b>49,005.49</b>	<b>5,242.60</b>	<b>3,575.47</b>	<b>9,438.22</b>	<b>48,385.33</b>	<b>10,721.85</b>	<b>3,471.89</b>	<b>-</b>	<b>6,582.50</b>	<b>7,611.25</b>	<b>40,774.08</b>

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(Amount in Thousands)

Particulars	As at 31st December 2023	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
<b>Security Deposits/ Mortgage</b>				
(Unsecured, Considered Good, unless otherwise stated)				
- Deposit with Supplier (Dye and Mould)	718.50	468.50	468.50	321.00
- Deposit with Gosala factory	-	164.10	164.10	164.10
- Other Deposit against Earnest Money	150.64	50.64	-	-
- Deposit with Sundry Parties	18,262.98	21,498.57	13,831.74	12,004.43
- Security Deposit for Rent	3,450.00	1,941.50	4,226.50	4,576.50
- Security Deposit for Electricity	127.00	127.00	127.00	127.00
- Security Deposit against Mortgage of Factory Land	-	20,000.00	20,000.00	-
<b>Total</b>	<b>22,709.12</b>	<b>44,250.31</b>	<b>38,817.84</b>	<b>17,193.03</b>

#### 4. Deferred tax

(Amount in Thousands)

Particulars	As at 31st December 2023	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
<b>Opening Balance</b>	1,649.71	1,616.06	1,590.01	74.29
<b>Deferred tax assets arising on account of :</b>				
Difference in value of assets as per books & as per tax	(78.58)	(18.54)	(115.90)	431.98
Payment of Bonus & Gratuity	(57.26)	113.14	29.26	188.91
On Revaluation of Land	-	-	-	(899.87)
Brought Forward Tax Losses	-	-	-	1,543.27
Provision for doubtful debt and advances	(23.20)	(60.96)	112.69	251.44
<b>Total</b>	<b>1,490.68</b>	<b>1,649.71</b>	<b>1,616.06</b>	<b>1,590.01</b>

#### 5. Other Non-Current Assets

(Amount in Thousands)

Particulars	As at 31st December 2023	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
<b>Others</b>				
- Receivables from Revenue Authority	15,484.45	18,589.96	15,592.08	22,248.02
- I. Tax against IT order appeal	-	-	-	700.00
<b>Total</b>	<b>15,484.45</b>	<b>18,589.96</b>	<b>15,592.08</b>	<b>22,948.02</b>

#### 6. Inventories

(Amount in Thousands)

Particulars	As at 31st December 2023	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
a) Raw Material (including stores) valued at cost	53,195.22	37,910.48	39,874.56	31,307.63
b) Work-in-progress (valued at net realisable value or cost, whichever is lower)	18,500.00	10,453.52	3,019.77	5,910.42
<b>Total</b>	<b>71,695.22</b>	<b>48,364.00</b>	<b>42,894.33</b>	<b>37,218.05</b>

## 7. Trade Receivables

(Amount in Thousands)

Particulars	As at 31st December 2023	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
a) Trade Receivables considered good – Unsecured	1,53,848.60	73,543.71	71,297.06	40,239.68
Less: Allowance for Credit Losses	(1,112.40)	(1,204.59)	(1,446.79)	(999.05)
<b>Total</b>	<b>1,52,736.20</b>	<b>72,339.12</b>	<b>69,850.27</b>	<b>39,240.64</b>

### Trade Receivables ageing schedule:

31st December 2023

(Amount in Thousands)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,43,759.20	6,216.38	1,065.37	268.75	2,538.89	1,53,848.60
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-

31st March 2023

(Amount in Thousands)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	64,278.91	4,236.26	1,262.36	2,408.71	1,357.47	73,543.71
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-

31st March 2022

(Amount in Thousands)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	59,115.84	2,239.76	3,294.54	4,354.19	2,292.73	71,297.06
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-



(iii) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-

### 31st March 2021

(Amount in Thousands)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	26,235.79	3,968.74	8,024.70	2,010.46	-	40,239.69
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-

### 8. Cash and cash equivalents

(Amount in Thousands)

Particulars	As at 31st December 2023	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
Cash in hand	1,130.23	53.46	20.56	5,378.27
Balances with Banks	5,020.10	892.38	1,454.73	2,154.92
	<b>6,150.33</b>	<b>945.84</b>	<b>1,475.30</b>	<b>7,533.19</b>
Other Bank Balances				
Fixed and Demand Deposit	3,982.49	1,663.19	1,567.59	22,431.56
Less : Amount disclosed under Non Current Assets	-	-	-	-
	<b>3,982.49</b>	<b>1,663.19</b>	<b>1,567.59</b>	<b>22,431.56</b>
<b>Total</b>	<b>10,132.83</b>	<b>2,609.02</b>	<b>3,042.89</b>	<b>29,964.75</b>

### 9. Current Tax Asset (Net)

(Amount in Thousands)

Particulars	As at 31st December 2023	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
Current Year taxes recoverable (Net)	-	4,109.21	2996.10	1611.96
<b>Total</b>		<b>4,109.21</b>	<b>2,996.10</b>	<b>1,611.96</b>

### 10. Other Current Assets

(Amount in Thousands)

Particulars	As at 31st December 2023	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
Advances other than capital advances				
Considered good				

i) Service Tax Deposited against CESTAT Appeal	830.00	830.00	830.00	980.00
ii) Other Advances				
a) Advance against expenses	1164.86	-	35.00	25.84
b) Advance to Staff	2413.34	1,730.32	1699.93	736.51
c) Advance against Purchase	34262.55	6,389.74	7602.67	76.67
d) Advance against labour contract	1119.62	-	-	-
e) TDS to be claimed in Next Year	-	495.13	549.98	319.64
iii) Excess GST Balance	-	5,891.45	4221.68	885.85
iv) Other Receivables ( PNB)	-	-	-	265.85
v) Deferred Bank Guarantee Charges	1,103.86	1,121.93	457.88	-
<b>Total</b>	<b>40,894.23</b>	<b>16,458.57</b>	<b>15,397.15</b>	<b>3,290.35</b>

## 11. Equity share capital

(Amount in Thousands)

Particulars	As at 31st December 2023	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
<b>Authorised capital</b>				
10,00,000 equity shares of ₹ 10 each (as on 31 March 2023: 10,00,000 shares and 31 March 2022 and 31 March 2021: 10,00,000 shares of ₹ 10 each)	10,000.00	10,000.00	10,000.00	10,000.00
<b>Total</b>	<b>10,000.00</b>	<b>10,000.00</b>	<b>10,000.00</b>	<b>10,000.00</b>
<b>Issued, subscribed &amp; fully paid up Capital (unless otherwise stated)</b>				
8,43,745 equity shares of ₹ 10 each (as on 31 March 2023: 8,43,745 shares 31 <sup>st</sup> March 2022 and 31 <sup>st</sup> March 2021: 8,43,745 shares ₹ 10 each)	8,437.45	8,437.45	8,437.45	8,437.45
<b>Total</b>	<b>8,437.45</b>	<b>8,437.45</b>	<b>8,437.45</b>	<b>8,437.45</b>

### a) Reconciliation of equity shares outstanding at the beginning and at the end of the year.

Particulars	As at 31st December 2023		As at 31st March 2023		As at 31st March 2022		As at 31st March 2021	
	No of shares	(₹ in '000)	No of shares	(₹ in '000)	No of shares	(₹ in '000)	No of shares	(₹ in '000)
<b>Equity shares at the beginning of the year</b>	8,43,745	8,437.45	8,43,745	8,437.45	8,43,745	8,437.45	8,43,745	8,437.45
Add: Share issued during the year	-	-	-	-	-	-	-	-
<b>Equity shares at the end of the year</b>	<b>8,43,745</b>	<b>8,437.45</b>	<b>8,43,745</b>	<b>8,437.45</b>	<b>8,43,745</b>	<b>8,437.45</b>	<b>8,43,745</b>	<b>8,437.45</b>

### b) Rights/preferences/restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

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, if any. The distribution will be in proportion to the number of equity shares held by the shareholders. No Equity shares has been issued as fully paid up bonus shares by capitalization of the reserve.

### c) Details of shareholders holding more than 5% shares of the equity shares in the Company

Equity shares of ₹ 10 each fully paid up	As at 31st December 2023		As at 31st March 2023		As at 31st March 2022		As at 31st March 2021	
	No of shares	% holding	No of shares	% holding	No of shares	% holding	No of shares	% holding
Avinash Agarwal	5,57,910	66.12%	3,97,150	47.07%	3,97,150	47.07%	3,97,150	47.07%



AESTHETIK ENGINEER LIMITED Agarwal (HUF)	47,860	5.67%	47,860	5.67%	47,860	5.67%	47,860	5.67%
Sreeti Agarwal	56,550	6.70%	55,500	6.58%	55,500	6.58%	55,500	6.58%
Vijay Kumar Agarwal	1,050	0.12%	1,29,060	15.30%	1,29,060	15.30%	1,29,060	15.30%
Vijay Kumar Agarwal HUF	1,05,475	12.50%	1,05,475	12.50%	1,05,475	12.50%	1,05,475	12.50%
Anukaran Suppliers Pvt Ltd	70,000	8.30%	70,000	8.30%	70,000	8.30%	70,000	8.30%
<b>Total</b>	<b>8,38,845</b>		<b>8,05,045</b>		<b>8,05,045</b>		<b>8,05,045</b>	

d) Shares held by promoters

Equity shares of ₹ 10 each fully paid up	31st December 2023		31st March 2023		31st March 2022		31st March 2021	
	No of shares	% holding	No of shares	% holding	No of shares	% holding	No of shares	% holding
Avinash Agarwal, Promoter	5,57,910	66.12%	3,97,150	47.07%	3,97,150	47.07%	3,97,150	47.07%
Vijay Kumar Agarwal, Promoter	1,050	0.12%	1,29,060	15.30%	1,29,060	15.30%	1,29,060	15.30%
Sreeti Agarwal, Promoter	56,550	6.70%	55,500	6.58%	55,500	6.58%	55,500	6.58%
<b>Total</b>	<b>6,15,510</b>	<b>72.95%</b>	<b>5,81,710</b>	<b>68.94%</b>	<b>5,81,710</b>	<b>68.94%</b>	<b>5,81,710</b>	<b>68.94%</b>

Note: 12 Other Equity

(Amount in Thousands)

Particulars	As at 31st December, 2023	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Securities Premium Reserves	37,250.55	37,250.55	37,250.55	37,250.55
Retained Earnings	91,530.91	51,578.21	40,319.50	44,831.95
Revaluation Reserve	3,575.47	3,575.47	3,575.47	3,575.47
Other Comprehensive Income	(899.87)	(899.87)	(899.87)	(899.87)
	<b>1,31,457.06</b>	<b>91,504.35</b>	<b>80,245.64</b>	<b>84,758.10</b>

a) Securities Premium	As at 31st December, 2023	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Opening	37,250.55	37,250.55	37,250.55	37,250.55
Addition during the year	-	-	-	-
Deduction during the year	-	-	-	-
<b>Total</b>	<b>37,250.55</b>	<b>37,250.55</b>	<b>37,250.55</b>	<b>37,250.55</b>

b) Retained Earnings	As at 31st December, 2023	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Opening	51,578.21	40,319.50	44,831.95	42,457.33
Profit after tax during the year	39,952.71	11,258.71	(4,512.46)	2,374.62

Less: Provision for Impairment Allowance	-	-	-	-
<b>Total</b>	<b>91,530.91</b>	<b>51,578.21</b>	<b>40,319.50</b>	<b>44,831.95</b>

<b>e) Revaluation Reserve</b>	<b>As at 31st December, 2023</b>	<b>As at 31st March, 2023</b>	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
Opening	3,575.47	3,575.47	3,575.47	-
Addition during the year	-	-	-	3,575.47
Deduction during the year	-	-	-	-
<b>Total</b>	<b>3,575.47</b>	<b>3,575.47</b>	<b>3,575.47</b>	<b>3,575.47</b>

<b>d) Other Comprehensive Income</b>	<b>As at 31st December, 2023</b>	<b>As at 31st March, 2023</b>	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
Opening	(899.87)	(899.87)	(899.87)	-
Addition during the year	-	-	-	2,675.59
Deduction during the year	-	-	-	3,575.47
<b>Total</b>	<b>(899.87)</b>	<b>(899.87)</b>	<b>(899.87)</b>	<b>(899.87)</b>

#### Nature and purpose of Reserves

##### Securities Premium:

Securities Premium is used to record the premium on issue of shares and utilized in accordance with the provisions of the Companies Act, 2013.

##### Retained Earnings:

Retained Earnings are the profits of the Company earned till date net of appropriation.

##### Revaluation Reserve:

Revaluation Reserve is used to record the gain / loss on Revaluation of Assets and Liabilities and utilized in accordance with the provision of the Companies Act, 2013.

#### Other Comprehensive Income :

The effect of the remeasurement changes (comprising actuarial gains and losses) to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. other comprehensive income (OCI) includes revenues, expenses, gains, and losses that have yet to be realized and are excluded from net income on an income statement. OCI represents the balance between net income and comprehensive income.

### 13. Borrowings (Non-Current Liabilities)

(Amount in Thousands)

<b>Particulars</b>	<b>As at 31st December, 2023</b>	<b>As at 31st March, 2023</b>	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
<b>Term Loans</b>				
<b>Secured- At amortised cost</b>				
From Banks	-	622.79	4,359.56	21,131.00
Less: Current maturities of borrowings	-	622.79	3,736.76	7,938.01
(A)	-	-	622.79	13,192.99
<b>Others</b>				
<b>Unsecured Loans</b>				
From Other Parties	45,194.40	14,125.00	14,750.00	23,750.00
(B)	45,194.40	14,125.00	14,750.00	23,750.00
Deposits	-	-	16,869.58	17,191.71
(c)	-	-	16,869.58	17,191.71
<b>Total (A+B+C)</b>	<b>45,194.40</b>	<b>14,125.00</b>	<b>32,242.38</b>	<b>54,134.70</b>

\* Refer Note:35(a)

#### 14. Borrowings

(Amount in Thousands)

Particulars	As at 31st December, 2023	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
From Banks				
Current Maturities of Long Term Debts				
ICICI Bank(A/C NO. LBCAL00004707938)	-	-	-	4,756.25
ICICI Bank(A/C NO. LBCAL00004708002)	-	-	-	2,661.99
ICICI Bank(A/C NO. LBCAL000053600100)	-	-	-	519.77
Yes Bank	-	622.79	3,736.76	-
Bank Overdraft	14,558.15	44,498.74	4,179.78	-
<b>Total</b>	<b>14,558.15</b>	<b>45,121.54</b>	<b>7,916.54</b>	<b>7,938.01</b>

\* Refer Note:35(b)

#### 15. Trade Payables

(Amount in Thousands)

Particulars	As at 31st December, 2023	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
(A) total outstanding dues of micro enterprises and small enterprises; and	-	-	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	90,120.71	44,321.22	45,436.23	13,273.66
<b>Total</b>	<b>90,120.71</b>	<b>44,321.22</b>	<b>45,436.23</b>	<b>13,273.66</b>

#### Trade Payables ageing schedule:

##### 31st December 2023

(Amount in Thousands)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	86,689.63	-	3,431.08	-	90,120.71
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

a

##### 31st March 2023

(Amount in Thousands)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	40,890.14	3,431.08	-	-	44,321.22
(iii) Disputed dues – MSME	-	-	-	-	-

(iv) Disputed dues - Others	-	-	-	-	-
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### 31st March 2022

(Amount in Thousands)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	45,436.23	-	-	-	45,436.23
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

### 31st March 2021

(Amount in Thousands)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	3,549.88	9,723.78	-	-	13,273.66
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

### 16. Other current liabilities

(Amount in Thousands)

Particulars	As at 31st December, 2023	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
<b>Other Payables</b>				
Advance against Sales	28,183.51	22,873.91	27,499.08	17,513.65
Professional Tax Payable	6.55	4.98	2.05	0.71
Payable to Auditors	245.00	45.00	81.00	36.00
TDS Payable	140.20	444.26	352.36	1,042.36
GST Payable	1,454.53	-	-	-
Employer Contribution to ESI	0.69	5.63	3.38	4.60
Employee Contribution to ESI	1.41	1.31	0.78	6.34
Employer Contribution to PF	163.91	57.51	29.34	17.83
Employee Contribution to PF	32.92	14.35	27.70	42.75
Previous Year EPF Payable	-	-	36.15	-
Salary & Wages Payables	1,131.31	978.91	402.02	374.17
Advance Receipt on Sale of Property	-	5,500.00	5,500.00	5,500.00
Payable to Director and Relatives	3,594.69	11,025.10	20,053.39	-
<b>Total</b>	<b>34,954.72</b>	<b>40,950.96</b>	<b>53,987.25</b>	<b>24,538.41</b>

### 17. Provisions

(Amount in Thousands)

Particulars	As at 31st December, 2023	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Provision for Employee Benefits	-	-	-	-
Gratuity	1088.88	1,316.37	866.83	750.58
<b>Total</b>	<b>1,088.88</b>	<b>1,316.37</b>	<b>866.83</b>	<b>750.58</b>

(Amount in Thousands)

Particulars	As at 31st December, 2023	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2021
Current Year taxes payables (Net)	7022.86	-	-	-
<b>Total</b>	<b>7,022.86</b>	<b>-</b>	<b>-</b>	<b>-</b>

19. Revenue from operations

(Amount in Thousands)

Particulars	For the Period ending on 31 <sup>st</sup> December 2023	For the Period ending on 31 <sup>st</sup> March 2023	For the Period ending on 31 <sup>st</sup> March 2022	For the Period ending on 31 <sup>st</sup> March 2021
Sale of Products	52,811.00	2,737.30	3,156.57	2,984.54
Sale of Services	4,19,820.19	3,97,360.34	2,54,234.60	1,32,820.73
<b>Revenue from Operations (Net)</b>	<b>4,72,631.19</b>	<b>4,00,097.64</b>	<b>2,57,391.17</b>	<b>1,35,805.27</b>

20. Other income

(Amount in Thousands)

Particulars	For the Period ending on 31 <sup>st</sup> December 2023	For the Period ending on 31 <sup>st</sup> March 2023	For the Period ending on 31 <sup>st</sup> March 2022	For the Period ending on 31 <sup>st</sup> March 2021
<b>Interest Income</b>				
Fixed Deposits	214.55	106.57	853.26	1,264.92
Income Tax Refund	174.82	-	721.82	-
<b>Other Income</b>				
Discount Received	5.59	562.80	91.03	63.64
Reversal of Provision for Trade Receivables	92.19	242.20	-	-
Profit on sale of Property, Plant and Equipment	207.51	-	-	39.96
Insurance claim received	-	2,573.11	-	169.68
VAT Refund	-	-	279.82	-
<b>Total</b>	<b>694.65</b>	<b>3,484.67</b>	<b>1,945.94</b>	<b>1,538.19</b>

21. Cost of Materials consumed

(Amount in Thousands)

Particulars	For the Period ending on 31 <sup>st</sup> December 2023	For the Period ending on 31 <sup>st</sup> March 2023	For the Period ending on 31 <sup>st</sup> March 2022	For the Period ending on 31 <sup>st</sup> March 2021
Inventory at the beginning of the period	37,910.48	39,874.56	31,307.63	46,443.11
Add: Purchases	3,63,273.49	3,41,057.69	2,20,972.25	88,170.97
	<b>4,01,183.97</b>	<b>3,80,932.25</b>	<b>2,52,279.88</b>	<b>1,34,614.07</b>
Less: Inventory at the end of the period	(53,195.22)	(37,910.48)	(39,874.56)	(31,307.63)
<b>Total</b>	<b>3,47,988.75</b>	<b>3,43,021.77</b>	<b>2,12,405.32</b>	<b>1,03,306.44</b>

22. Changes in Inventory (Work In progress)

(Amount in Thousands)

Particulars	For the Period ending on 31 <sup>st</sup> December 2023	For the Period ending on 31 <sup>st</sup> March 2023	For the Period ending on 31 <sup>st</sup> March 2022	For the Period ending on 31 <sup>st</sup> March 2021
Inventory at the end of the year				
Work In progress	18,500.00	10,453.52	3,019.77	5,910.42

	18,500.00	10,453.52	3,019.77	5,910.42
Inventory at the beginning of the year				
Work In progress	10,453.52	3,019.77	5,910.42	2,200.52
	10,453.52	3,019.77	5,910.42	2,200.52
<b>Net (increase)/ decrease</b>	<b>(8,046.48)</b>	<b>(7,433.75)</b>	<b>2,890.65</b>	<b>(3,709.90)</b>

### 23. Employee benefits expenses

(Amount in Thousands)

Particulars	For the Period ending on 31st December 2023	For the Period ending on 31st March 2023	For the Period ending on 31st March 2022	For the Period ending on 31st March 2021
Salaries, Wages, Bonus & Allowances	10,394.90	6,457.26	3,386.62	3,416.00
Director Remuneration	1,260.00	960.00	960.00	1,150.00
Contribution to Provident and Other funds	949.17	380.17	234.02	204.78
Staff Welfare Expenses	186.84	594.43	188.33	922.81
<b>Total</b>	<b>12,790.91</b>	<b>8,391.86</b>	<b>4,768.98</b>	<b>5,693.59</b>

### 24. Finance costs

(Amount in Thousands)

Particulars	For the Period ending on 31st December 2023	For the Period ending on 31st March 2023	For the Period ending on 31st March 2022	For the Period ending on 31st March 2021
Interest Expense on				
- Secured Loans from Bank	1,429.23	1,491.28	1,037.70	3,141.44
- Deposits	902.74	1,691.09	1,404.50	1,420.00
- Working Capital Demand Loan	231.78	-		
Others				
- Loan processing Fees	255.00	650.50	5.00	856.67
- Bank Guarantee & LC Charges	1,857.82	1,151.404	651.77	-
- Bill Discounting Charges	417.27	547.933	-	-
<b>Total</b>	<b>5,093.83</b>	<b>5,532.21</b>	<b>3,098.97</b>	<b>5,418.11</b>

### 25. Depreciation and amortization

(Amount in Thousands)

Particulars	For the Period ending on 31st December 2023	For the Period ending on 31st March 2023	For the Period ending on 31st March 2022	For the Period ending on 31st March 2021
Depreciation	2,663.90	3,342.57	3,420.90	3,471.89
<b>Total</b>	<b>2,663.90</b>	<b>3,342.57</b>	<b>3,420.90</b>	<b>3,471.89</b>

### 26. Other expenses

(Amount in Thousands)

Particulars	For the Period ending on 31st December 2023	For the Period ending on 31st March 2023	For the Period ending on 31st March 2022	For the Period ending on 31st March 2021
<b>Direct/Operational Expenses</b>				
Designing Charges	-	-	522.50	69.00
Carriage Inward	514.01	909.78	-	-
Crane/Hydraulic/Scaffolding Hire Charges	795.69	-	-	-
Custom/Excise Duty	1,164.74	-	-	-
Factory & Site Electricity	560.83	572.05	233.65	250.55
Factory Insurance	-	33.86	120.39	58.20
Factory Maintenance and Other Expenses	75.67	224.05	86.94	59.26
Factory Rent and Site Room Rent	5,400.00	4,800.00	4,807.94	4,800.00
Freight	3,800.66	3,085.93	1,481.64	1,492.93
Hole & Cutting Expenses	1,531.40	1,739.69	-	-
Job Work Charges	19,431.75	11,162.51	9,059.88	2,458.85
Labour Charges	9,939.81	825.00	1,938.43	1,838.82
Labour Wages	-	-	-	1,181.21



A&S ENGINEERS LIMITED				
Advertising Expenses	10.75	16.50	12.44	-
Site Expenses	253.89	247.58	144.31	819.82
Testing Charges	1,969.70	27.34	0.75	-
Dye Development Charges	-	10.00	125.00	-
Miscellaneous Charges Charged by Vendors	315.70	657.02	437.03	-
<b>Administration &amp; Other Expenses</b>				
Auditors Remuneration				
- As Auditor - Audit Fee/Tax Audit	200.00	119.00	129.00	40.00
Advertisement Expenses	10.00	-	-	-
Bad Debts	433.63	-	-	-
Bank Charges	147.28	31.77	47.04	1,294.06
Business Promotion	309.75	10.00	49.13	25.90
Cartage and Cleaning labour charges	65.27	-	-	-
Car Maintenance & Hire Charges	532.38	589.91	325.55	233.88
Computer Maintenance	609.50	183.63	170.00	173.64
Electricity Expenses	-	355.66	333.54	370.06
Fees & Taxes	1.60	2.50	8.40	10.34
General Expense	1.93	44.90	67.72	34.75
General Insurance	800.50	560.25	176.61	52.00
Interest on TDS, GST and Other Taxes	57.07	430.25	4.39	21.72
Labour Cess	-	276.56	-	5.43
Late fees on TDS & GST Returns	0.35	3.23	0.40	2.59
License Fees	9.62	333.50	4.85	17.86
Loss on Surrender *	2,245.05	-	-	-
Miscellaneous Expenses	11.16	-	-	-
Office Expenses & Maintenance	819.64	562.95	396.68	503.62
Office Rent	4,050.00	3,600.00	3,595.48	3,613.05
Postage & Courier Expenses	10.75	3.65	6.40	2.25
Printing & Stationery	146.58	84.31	83.55	47.15
Professional Charges	864.40	461.50	472.50	362.43
Repair & Maintenance	0.39	92.33	85.79	1,254.59
Sundry Balance Written Off	49.09	666.71	50.00	9.53
Telephone Expenses	177.28	318.26	223.94	207.12
Web Designing Charges	-	-	47.85	47.10
Other Administrative Expenses	112.02	527.18	64.43	-
Provision for Trade Receivables	-	-	447.74	999.05
<b>Selling &amp; Distribution Expenses</b>				
Conveyance	-	-	-	5.01
Travelling Expenses	1,723.77	2,090.13	67.17	408.06
<b>Total</b>	<b>59,153.61</b>	<b>35,659.49</b>	<b>25,829.05</b>	<b>22,769.81</b>

## 27. Tax expense

(Amount in Thousands)

Particulars	For the Period ending on 31 <sup>st</sup> December 2023	For the Period ending on 31 <sup>st</sup> March 2023	For the Period ending on 31 <sup>st</sup> March 2022	For the Period ending on 31 <sup>st</sup> March 2021
Current tax	13,569.58	3,843.10	1,772.01	434.49
Income Tax for earlier year	-	-	9,689.73	-
Deferred tax	159.03	(33.65)	(26.05)	(2,415.60)

<b>Total</b>	<b>13,728.61</b>	<b>3,809.45</b>	<b>11,435.69</b>	<b>(1,981.11)</b>
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**Note 28. Earnings per equity share**

The Company's Earnings Per Share ('EPS') is determined based on the net profit attributable to the shareholders'. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

<b>Particulars</b>	<b>As at 31<sup>st</sup> December, 2023</b>	<b>As at 31<sup>st</sup> March, 2023</b>	<b>As at 31<sup>st</sup> March, 2022</b>	<b>As at 31<sup>st</sup> March, 2021</b>
<b>Net Profit / (Loss) attributable to equity shareholders</b>				
Profit / (Loss) after tax	3,99,52,707.96	1,12,58,711.11	(45,12,456.77)	23,74,623.28
Nominal value of equity share (₹)	10.00	10.00	10.00	10.00
Weighted-average number of equity shares for basic & Diluted EPS	8,43,745	8,43,745	8,43,745	8,43,745
<b>Basic &amp; Diluted earnings per share (₹)</b>	<b>47.53</b>	<b>13.34</b>	<b>(5.35)</b>	<b>2.81</b>

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**Note 29. Financial instruments by category**

For amortised cost instruments, carrying value represents the best estimate of fair value.

(Amount in Thousands)

Particulars	As at 31st December, 2023			As at 31st March, 2023			As at 31st March, 2022			As at 31st March, 2021		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>												
Trade Receivables	-	-	152736.20	-	-	72,339.12	-	-	69,850.27	-	-	39,240.64
Security deposit	-	-	23539.12	-	-	45,080.31	-	-	39,647.84	-	-	18,173.03
Cash and equivalents	-	-	10132.82	-	-	2,609.02	-	-	3,042.88	-	-	29,964.75
<b>Total</b>	-	-	<b>186,408.15</b>	-	-	<b>120,028.46</b>	-	-	<b>112,541.00</b>	-	-	<b>87,378.42</b>
<b>Financial liabilities</b>												
Borrowings	-	-	59752.55	-	-	59,246.54	-	-	40,158.91	-	-	62,072.71
Trade Payables	-	-	90120.71	-	-	44,321.22	-	-	45,436.23	-	-	13,273.66
<b>Total</b>	-	-	<b>149,873.25</b>	-	-	<b>103,567.76</b>	-	-	<b>85,595.14</b>	-	-	<b>75,346.37</b>

**(b) Fair value hierarchy**

The Company has classified its financial instruments into the three levels prescribed under the accounting standards. An explanation of each level follows underneath the table.

Financial assets and liabilities measured at fair value - recurring fair value measurements	As at 31st December, 2023			As at 31st March, 2023			As at 31st March, 2022			As at 31st March, 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets</b>												
<b>Financial assets at FVTPL</b>	-	-	-	-	-	-	-	-	-	-	-	-

<b>Total</b>			-	-	-	-	-	-	-	-	-	-
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(Amount in Thousands)

Financial assets and liabilities measured at fair value - recurring fair value measurements	As at 31st December, 2023			As at 31st March, 2023			As at 31st March, 2022			As at 31st March, 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial liabilities</b>												
Borrowings	-	-	59752.55	-	-	59246.54	-	-	40158.91	-	-	62,072.71
<b>Total</b>	-	-	<b>59752.55</b>	-	-	<b>59246.54</b>	-	-	<b>40158.91</b>	-	-	<b>62,072.71</b>

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing 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:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

**(c) Fair value of financial assets and liabilities measured at amortised cost**

Particulars	As at December 31, 2023		As at March 31, 2023		As at March 31, 2022		As at March 31, 2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial assets</b>								
<b>Carried at amortised cost</b>								
Security deposit	23539.12	23539.12	45,080.31	45,080.31	39,647.84	39,647.84	18,173.03	18,173.03
Cash and equivalents	10132.82	10132.82	2,609.02	2,609.02	3,042.88	3,042.88	29,964.75	29,964.75
Trade Receivables	152736.20	152736.20	72,339.12	72,339.12	69,850.27	69,850.27	39,240.64	39,240.64
<b>Total financial assets</b>	<b>186,408.15</b>	<b>186,408.15</b>	<b>120,028.46</b>	<b>120,028.46</b>	<b>112,541.00</b>	<b>112,541.00</b>	<b>87,378.42</b>	<b>87,378.42</b>
<b>Financial liabilities</b>								
<b>Carried at amortised cost</b>								
Borrowings	59752.55	59752.55	59,246.54	59,246.54	40,158.91	40,158.91	62,072.71	62,072.71
Trade Payables	90120.71	90120.71	44,321.22	44,321.22	45,436.23	45,436.23	13,273.66	13,273.66
<b>Total financial liabilities</b>	<b>149,873.25</b>	<b>149,873.25</b>	<b>103,567.76</b>	<b>103,567.76</b>	<b>85,595.14</b>	<b>85,595.14</b>	<b>75,346.37</b>	<b>75,346.37</b>

(i) Short-term financial assets and liabilities are stated at carrying value which is approximately equal to their fair value.

(ii) Fair value of borrowings which have a quoted market price in an active market is based on its market price which is categorised as level 1. Fair value of borrowings which do not have an active market or are unquoted is estimated by discounting expected future cash flows using a discount rate equivalent to the risk-free rate of return adjusted for credit spread considered by lenders for instruments of similar maturities which is categorised as level 2 in the fair value hierarchy.

(iii) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

(iv) There have been no transfers between Level 1 and Level 2 for the years ended March 31, 2023, March 31, 2022 and April 1, 2021.

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### Note 30. Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include trade and other receivables, and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. Under the senior management of the company. Company have the appropriate financial risk governance framework, appropriate policies and procedure that identifies, measure and manages the financial risk in accordance with the risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

#### (A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits and payables/receivables in domestic / foreign currencies.

#### a) Interest rate risk

The Company is capital intensive and is exposed to interest rate risks. The Company's projects are funded to a certain extent by debt and any increase in interest expense may have an adverse effect on our results of operations and financial condition. The Company current debt facilities carry interest at variable rates with the provision for periodic reset of interest rates. As of March 31, 2023, majority of the Company's indebtedness was subject to variable/fixed interest rates.

(Amount in thousands)

Particulars	31-12-2023	31-03-2023	31-03-2022	31-03-2021
<b>Financial Assets</b>				
Interest bearing				
-Deposit	3,982.49	1,663.19	1,567.59	22,431.56
<b>Financial Liabilities</b>				
Interest bearing				
-Borrowings	14558.15	45121.54	8539.33	21131.00

#### b) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including loans to related parties, deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

#### (i) Trade receivables

"Customer credit risk is managed by each business location subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with the assessment both in terms of number of days and amount.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security."

#### (ii) Cash and Cash Equivalents

Credit risk from balances with banks and financial institutions is managed in accordance with the Company's policy. Investment of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The Company's maximum exposure to credit risk for the components of the balance sheet at 31 December 2023 and 31 March 2023 is the carrying amount as illustrated in Note 48.

#### (B) Liquidity risk

"Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities. 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.

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents by having access to funding through an adequate amount of committed credit lines. Management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and financial liabilities including debt financing plans and maintenance of Balance Sheet liquidity ratios are considered while reviewing the liquidity position."

**Note 31. Related party disclosure (As per Ind AS-24 - Related Party Disclosures)**

The details of Related Party Transactions are as Follows:

<b>(a) Subsidiaries and Associates</b>	Nil
<b>(b) Key Management Personnel:</b>	
Avinash Agarwal	Director
Sreeti Agarwal	Whole Time Director
Vijay Kumar Agarwal	Whole Time Director
Ranjit Mishra	Director (till 15.05.2023)
<b>(c) Relatives of KMP</b>	
Shyama Agarwal	Relative of Director (Avinash Agarwal, Sreeti Agarwal and Vijay Kumar Agarwal)
<b>(d) Enterprises owned or significantly influenced by KMP/KMP's relatives</b>	
M/s Avinash Agarwal (HUF)	Avinash Agarwal is the karta
M/s Vijay Kumar Agarwal (HUF)	Vijay Kumar Agarwal is the karta

**Terms and conditions of transactions with related parties:**

The sales and purchase from related parties are made on terms equivalent to those that prevail in arms length transactions. Outstanding balance at the year-end are unsecured and interest free and settlement occurs in cash.

**Transaction with Key management personnel**

*(Amount in thousands)*

Descriptions	31 December 2023	31 March 2023	31 March 2022	31 <sup>st</sup> March 2021
<b>Director Remuneration</b>				
Avinash Agarwal	630.00	480.00	480.00	670.00
Sreeti Agarwal	450.00	240.00	240.00	240.00
Vijay Kumar Agarwal	180.00	240.00	240.00	240.00
<b>Rental Income</b>				
Avinash Agarwal	5,400.00	4800.00	4800.00	4800.00
Shyama Agarwal	1,350.00	1200.00	1200.00	1200.00
Vijay Kumar Agarwal	1,350.00	1200.00	1200.00	1200.00
<b>Enterprises in which KMP/ KMP's relatives have significant influence</b>				
M/s Avinash Agarwal (HUF)	1,350.00	1200.00	1200.00	1200.00

**Balance Outstanding with related parties-**

Descriptions	31 December 2023	31 March 2023	31 March 2022	31 March 2021
<b>Loan Received</b>				
Key Management Personnel				
Avinash Agarwal HUF	-	-	200.00	-

Avinash Agarwal	64,500.00	-	-	-
Shyama Agarwal	-	75.00	1300.00	-
Sreeti Agarwal	-	-	3700.00	-
Vijay Kumar Agarwal HUF	-	-	1800.00	-
Vijay Kumar Agarwal	3,000.00	525.00	300.00	-
<b><u>Loan Repaid</u></b>				
Key Management Personnel				
Avinash Agarwal HUF	650.00	250.00	-	-
Avinash Agarwal	25,000.00	-	14350.00	-
Shyama Agarwal	2,740.00	-	-	-
Sreeti Agarwal	850.00	975.00	1950.00	-
Vijay Kumar Agarwal HUF	4000.00	-	-	-
Vijay Kumar Agarwal	3,600.00	-	-	-
<b><u>Balance outstanding (Credit) (loan/salary)</u></b>				
Key Management Personnel				
Avinash Agarwal HUF	200.00	850.00	1100.00	900.00
Avinash Agarwal	39,500.00	-	-	14,350.00
Shyama Agarwal	235.00	2,975.00	2900.00	1,600.00
Sreeti Agarwal	2,225.00	3,075.00	4050.00	2,300.00
Vijay Kumar Agarwal HUF	-	4,000.00	4000.00	2,200.00
Vijay Kumar Agarwal	2,625.00	3,225.00	2700.00	2,400.00
<b><u>Security deposit for rent against Merlin office</u></b>				
Avinash Agarwal HUF	750.00	701.50	701.50	701.50
Shyama Agarwal	750.00	-	-	-
Vijay Kumar Agarwal	750.00	-	-	-

**Note 32. Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006 to the extent of Confirmation received:**

Disclosures under the Micro, Small and Medium enterprises Development Act, 2006 are provided as under for the period ended, to the extent the Group has received intimation from the "Suppliers" regarding their status under the Act.

Particulars	As at 31st December 2023	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
(a) Principal amount remaining unpaid (but within due date as per the MSMED Act)	-	-	-	-
(b) Interest due thereon remaining unpaid	-	-	-	-
(c) Interest paid by the Group in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the period	-	-	-	-
(d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-	-	-
(e) Interest accrued and remaining unpaid	-	-	-	-
(f) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-	-	-
<b>Total</b>	-	-	-	-

**Note 33. Auditors' remuneration (excluding GST) and expenses:**

(Amount in Thousands)

Descriptions	As at 31st December 2023	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
Statutory Audit Fee/ Tax Audit Fee	200.00	98.30	129.00	40.00
In other capacity - Certification Fee	-	20.70	20.70	-

**Note 34. Corporate Social Responsibility expenditure:**

Particulars	As at 31st December 2023	As at 31st March 2023	As at 31 March 2022	As at 31 <sup>st</sup> March 2021
(i) Amount required to be spent by the company during the year,	N.A.	N.A.	N.A.	N.A.
(ii) Amount of expenditure incurred,	N.A.	N.A.	N.A.	N.A.
(iii) Shortfall at the end of the year,	N.A.	N.A.	N.A.	N.A.
(iv) Total of previous years shortfall,	N.A.	N.A.	N.A.	N.A.
(v) Reason for shortfall,	N.A.	N.A.	N.A.	N.A.
(vi) Nature of CSR activities,	N.A.	N.A.	N.A.	N.A.
(vii) Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	N.A.	N.A.	N.A.	N.A.
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	N.A.	N.A.	N.A.	N.A.

**Note 35. Terms of Repayment & Security provided in respect of Non- Current Borrowings for the period ended:**

Shown separately as Note 35(a) and 35(b).

**Note 36. Segment Reporting:**

As the revenue, results and assets are no reportable segments of the company. Therefore, disclosure of Separate segment reporting under Ind-As 108 is not required.

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**Details of Terms of Repayment & Security provided in respect of Non- Current Borrowings for the period ended**

Note: 35(a)		Amount (Rs in Thousand)							
		As at 31.12.2023		As at 31.03.2023		As at 31.03.2022		As at 31.03.2021	
Particulars	Terms of repayment and security	Current	Non Current	Current	Non Current	Current	Non Current	Current	Non Current
<b>SECURED:</b>									
<b>From banks:</b>									
<b>Term Loan</b>									
Yes Bank	Term Loan of INR. 1 crores borrowed on March 30, 2021 Secured against the Movable Plant & Machinery along with Stocks and Book debts	-	-	622.79	-	3,736.76	622.79	-	9,540.76
ICICI Bank (A/c No. LBCAL00004707 938)	Mortgage loan of INR 1.525 crores borrowed on July 31,2018 for 180 months at a floating interest rate of 9.15% p.a., Secured against the assets of Promoter	-	-	-	-	-	-	4,756.25	-
ICICI Bank (A/c No. LBCAL00004708 002)	Mortgage loan of INR 1.015 crores borrowed on July 31,2018 for 72 months at a floating interest rate of 9.15% p.a. Secured against the assets of Promoter	-	-	-	-	-	-	2,661.99	-
ICICI Bank (A/c No. LBCAL00005360 0100)	Mortgage loan of INR 0.4172 crores borrowed on September 22,2020 for 48 months at a floating interest rate of 8.25% p.a. Secured against the assets of Promoter	-	-	-	-	-	-	519.77	3,652.23
<b>Total - Secured from Bank</b>		-	-	<b>622.79</b>	-	<b>3,736.76</b>	<b>622.79</b>	<b>7,938.01</b>	<b>13,192.99</b>
<b>Total - Secured from banks &amp; other parties</b>		-	-	<b>622.79</b>	-	<b>3,736.76</b>	<b>622.79</b>	<b>7,938.01</b>	<b>13,192.99</b>
<b>UNSECURED:</b>									
<b>From Banks</b>									
		-	-	-	-	-	-	-	-
<b>From related parties</b>									
Avinash Agarwal HUF	Loan repayable on demand.	-	-	-	850.00	-	1,100.00	-	900.00
Avinash Agarwal	Loan repayable on demand.	-	-	-	-	-	-	-	14,350.00

Shyama Agarwal	Loan repayable on demand.	-	-	-	2,975.00	-	2,900.00	-	1,600.00
Sreeti Agarwal	Loan repayable on demand.	-	-	-	3,075.00	-	4,050.00	-	2,300.00
Vijay Kumar Agarwal HUF	Loan repayable on demand.	-	4,000.00	-	4,000.00	-	4,000.00	-	2,200.00
Vijay Kumar Agarwal	Loan repayable on demand.	-	-	-	3,225.00	-	2,700.00	-	2,400.00
<b>Total - Unsecured from related parties</b>		-	<b>4,000.00</b>	-	<b>14,125.00</b>	-	<b>14,750.00</b>	-	<b>23,750.00</b>

<b><u>Details of Terms of Repayment &amp; Security provided in respect of Current Borrowings for the period ended</u></b>					
<b><u>Note: 35(b)</u></b>					
<b>Particulars</b>	<b>Terms of repayment and security</b>	<b>As at 31.12.2023</b>	<b>As at 31.03.2023</b>	<b>As at 31.03.2022</b>	<b>As at 01.04.2021</b>
		<b>Current -Amount (Rs in '000)</b>			
<b><u>SECURED:</u></b>					
<b><u>From banks:</u></b>					
Term Loan from Yes Bank		-	622.79	3,736.76	-
Cash Credit / Bank Overdraft from Yes Bank	Cash Credit / Overdraft facility of INR 4 crores availed from Yes Bank which is secured against Hypothecation on Current Assets and movable fixed assets both present and future. Unconditional and Irrevocable personal guarantee of Vijay Kumar Agarwal and Avinash Agarwal till the tenure of facility.	14,558.15	44,498.74	4,179.78	-
ICICI Bank (A/c No.	Mortgage loan of INR 1.525 crores borrowed on July 31,2018 for 180 months at a floating interest rate of 9.15% p.a.	-	-	-	4,756.25

LBCAL00004707 938)					
ICICI Bank (A/c No. LBCAL00004708 002)	Mortgage loan of INR 1.015 crores borrowed on July 31,2018 for 72 months at a floating interest rate of 9.15% p.a.	-	-	-	2,661.99
ICICI Bank (A/c No. LBCAL00005360 0100)	Mortgage loan of INR 0.4172 crores borrowed on September 22,2020 for 48 months at a floating interest rate of 8.25% p.a.	-	-	-	519.77
<b>Total - Secured from banks &amp; other parties</b>		<b>14,558.15</b>	<b>45,121.54</b>	<b>7,916.54</b>	<b>7,938.01</b>

**Note 37. Ratio Analysis:**

S. No.	Following Ratios to be disclosed:-	Numerator	Denominator	For the Period ending on 31st December 2023	For the Period ending on 31st March 2023	%change	Reasons for change
1	Current Ratio	Total current assets	Total current liabilities	1.87	1.09	70.67	Due to increase in Trade Receivables in current year
2	Debt-Equity Ratio	Total borrowings	Equity Share Capital and Reserves Surplus	0.43	0.59	(27.95)	Debts has reduced during the current year.
3	Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments +Principal repayments	1.03	0.40	154.43	Due to increase in current year's profit
4	Return on Equity Ratio(%)	Profit for the year less Preference dividend (if any)	Average shareholder's fund	0.33	0.12	179.96	Due to increase in current year's profit
5	Inventory turnover ratio	Cost of Goods Sold/Sales	Average Inventory	7.87	8.77	(10.21)	
6	Trade Receivables turnover ratio	Revenue from operations	Average trade receivables	4.20	5.64	(25.37)	Revenue from operations has increased from last year
7	Trade Payables turnover ratio	Net Credit Purchases	Average trade payables	5.40	7.60	(28.89)	Trade Payables have been reduced during the year.
8	Net capital turnover ratio	Net Sales	Working capital	3.70	32.92	(88.77)	Working Capital has been increased during the year
9	Net profit ratio(%)	Profit for the year	Revenue from operations	0.08	0.03	200.40	Revenue from operations has increased from last

							year
10	Return on Capital employed(%)	Earning before interest & tax	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	0.32	0.18	75.83	Current year's profit has increased from last year
11	Return on investment(%)	Income generated from invested funds	Average invested funds in treasury investments	NA	NA	NA	The company has sold all the investment in last year except few.

The company shall explain the items included in numerator and denominator for computing the above ratios. Further explanation shall be provided for any change in the ratio by more than 25% as compared to the preceding period.

Sl No.	Following Ratios to be disclosed:-	Numerator	Denominator	For the Period ending on 31st March 2023	For the Period ending on 31st March 2022	%change	Reasons for change
1	Current Ratio	Total current assets	Total current liabilities	1.09	1.24	(11.91)	
2	Debt-Equity Ratio	Total borrowings	Equity Share Capital and Reserves Surplus	0.59	0.45	30.91	Debts has reduced during the current year.
3	Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments +Principal repayments	0.40	0.33	20.72	
4	Return on Equity Ratio(%)	Profit for the year less Preference dividend (if any)	Average shareholder's fund	0.12	(0.00)	(12,544.71)	Due to increase in current year's profit
5	Inventory turnover ratio	Cost of Goods Sold/Sales	Average Inventory	8.78	6.43	36.46	The inventory held at the end is higher than last year
6	Trade Receivables turnover ratio	Revenue from operations	Average trade receivables	5.63	4.72	19.26	
7	Trade Payables turnover ratio	Net Credit Purchases	Average trade payables	7.60	7.53	0.96	
8	Net capital turnover ratio	Net Sales	Working capital	32.88	9.91	231.76	Revenue from operations has increased from last year

9	Net profit ratio(%)	Profit for the year	Revenue from operations	0.03	(0.02)	(260.51)	Current year's profit has increased from last year
10	Return on Capital employed(%)	Earning before interest & tax	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	0.18	0.08	117.91	Current year's profit has increased from last year
11	Return on investment(%)	Income generated from invested funds	Average invested funds in treasury investments	NA	NA	NA	The company has sold all the investment in last year except few.

The company shall explain the items included in numerator and denominator for computing the above ratios. Further explanation shall be provided for any change in the ratio by more than 25% as compared to the preceding period.

S No.	Following Ratios to be disclosed:-	Numerator	Denominator	For the period ended 31st March, 2022	For the period ended 31st March, 2021	%change	Reasons for change
1	Current Ratio	Total current assets	Total current liabilities	1.24	2.39	(48.20)	Due to increase in Trade Payables in current year
2	Debt-Equity Ratio	Total borrowings	Equity Share Capital and Reserves Surplus	0.45	0.67	(32.01)	Debts has reduced during the current year.
3	Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments +Principal repayments	0.33	0.15	123.82	Due to increase in current year's profit
4	Return on Equity Ratio(%)	Profit for the year less Preference dividend (if any)	Average shareholder's fund	(0.00)	0.05	(101.88)	Profit reduced due to payment of Earlier Year taxes.
5	Inventory turnover ratio	Cost of Goods Sold/Sales	Average Inventory	6.43	3.16	103.11	Revenue from operations has increased from last year
6	Trade Receivables turnover ratio	Revenue from operations	Average trade receivables	4.72	4.03	17.09	
7	Trade Payables turnover ratio	Net Credit Purchases	Average trade payables	7.53	3.88	93.80	Due to increase in Trade Payables in current year
8	Net capital turnover ratio	Net Sales	Working capital	9.91	2.09	372.97	Revenue from operations has increased from last year
9	Net profit ratio(%)	Profit for the year	Revenue from operations	(0.02)	0.02	(200.27)	Profit reduced due to payment of Earlier Year taxes.
10	Return on Capital employed(%)	Earning before interest & tax	Capital employed = Net worth + Lease liabilities + Deferred tax	0.08	0.04	110.11	Current year's profit has increased from last year



			liabilities				
11	Return on investment(%)	Income generated from invested funds	Average invested funds in treasury investments	NA	NA	NA	The company has sold all the investment in last year except few.

*The company shall explain the items included in numerator and denominator for computing the above ratios. Further explanation shall be provided for any change in the ratio by more than 25% as compared to the preceding period.*

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## **Note 38 : Transition to Ind AS**

These are the company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out have been applied in preparing the financial statements for the period ended 31 December 2023, 31 March 2023, 31 March 2022 and March 2021. In preparing its opening Ind AS Financial Statement i.e, for the period ended 31 December 2023, 31 March 2023, 31 March 2022 and March 2021, the company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (amended) and other relevant provisions of the Act. An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.

### **A. Exemptions and exceptions availed**

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.1 Ind AS optional exemptions**

##### **A.1.1 Deemed cost of property, plant and equipment and intangible assets**

The Company has elected to continue with the carrying value of all of its plant and equipment (except Land, which is revalued at Market Value as per the subsequent events after the Balance Sheet date) as recognised as of 31 March, 2021 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

#### **A.2 Ind AS mandatory exceptions**

##### **A.2.1 Estimates**

As per para 14 of Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date. In accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accountings policies. As per para 16 of the standard, where application of Ind AS requires an entity to make certain estimates that were not required under previous GMP, those estimates should be made to reflect conditions that existed at the date of transition or at the end of the comparative Period.

The Company's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the financial statement that were not required under the previous GAAP are listed below:

- Fair Valuation of financial instruments carried at FVTPL and/ or FVOCI.
- impairment of financial assets based on the expected credit loss model'

##### **A.2.2 Derecognition of financial assets and financial liabilities**

As per para 82 of Ind AS 101, an entity should apply the derecognition requirements in Ind AS 109, "Financial instruments", prospectively for transactions occurring on or after the date of transition to Ind AS. However, para 83 gives an option to the entity to apply the de-recognition requirements from a date of its choice if the information required to apply Ind AS 109 to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the initially accounting for those transactions. The company has elected to apply the de-recognition provisions of Ind As 109 prospectively from the date of transition to Ind As.

##### **A.2.3 Classification and measurement of financial assets**

Para 88 - 88C of Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortized cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable, Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortized cost has been done retrospectively.

##### **A.2.4 Impairment of financial assets**

The company has applied impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized in order to compare it with the credit risk at the transition date.

### **Explanations to the material adjustments made in the process of IND AS transition from previous GAAP**

#### **Note: 1 Borrowings**

Under Indian GAAP, transaction costs incurred in connection with borrowings are amortised upfront and charged to profit or loss for the period. Under Ind AS, transaction cost on term loan are included in initial recognition amount of financial liability and charged to profit or loss using the effective interest method.

#### **Note: 2 Property, plant and equipment**

The Company has elected to continue with the carrying value of all of its plant and equipment (except Land, which is revalued as per Market Value as per the subsequent events after the Balance Sheet date) as recognised as of 31st March, 2021 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

#### **Note: 3 Deferred Taxes**

In accordance with Ind AS 12, "Income Taxes", the Company on transition to Ind AS has recognised deferred tax on temporary differences, i.e. based on balance sheet approach as compared to the earlier approach of recognising deferred taxes on timing differences, i.e. profit and loss approach. The tax impacts as above primarily represent deferred tax consequences arising out of Ind AS re-measurement changes.

#### **Note : 4 Expected credit loss model**

Ind-AS 109 requires to recognize loss allowances on trade receivable of the Company, at an amount equal to the lifetime expected credit loss or the 12 month expected credit loss based on the increase in the credit risk.

#### **Note : 5 Employee Benefits**

##### **Defined contribution plans**

##### **Gratuity**

The Company has participated in New Group Gratuity Cash Accumulation Scheme of Life Insurance Corporation of India (Commencing from 1st January, 2024), a funded defined benefit plan for for qualifying employees. Gratuity is payable to all eligible employees on death or on separation / termination in terms of the provisions of the Payment of Gratuity Act, 1972 (as amended from time to time), or as per the Company's scheme whichever is more beneficial to the employees.

The liability for the Defined Benefit Plan is provided on the basis of a valuation, using the Projected Unit Credit Method, as at the period ended 31st December, 2023. However, the management computed the liability towards gratuity for the qualifying employees based on their estimates for the period ended 31st March, 2021, 31st March 2022 and 31st March 2023.

#### **Note: 6 Re-Classifications**

The Company has done the following reclassifications as per the requirements of Ind-AS:

(i) Assets / liabilities which do not meet the definition of financial asset / financial liability have been reclassified to other asset / liability.

- (ii) Remeasurement gain/loss on long term employee defined benefit plans are re-classified from statement of profit and loss to OCI.
- (iii) The Company has re-classified fixed deposits with banks under lien from cash and cash equivalents to other bank balances.
- (iv) The Company has re-classified Bank Overdraft from cash and cash equivalents to Borrowings.
- (v) The Company has re-classified Advance against Sales from Trade Payables to Other Current Liabilities

**Note 39**

The Company does not have any Charge required to be registered or satisfied with ROC during the year.

**Note 40**

No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and the rules made thereunder.

**Note 41**

The Company has borrowed any funds from banks / Financial Institutions (being current assets as collateral security) during the year under review. The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

**Note 42**

The Company has not entered into any transactions with another company whose name has been struck off by the Registrar of Companies.

**Note 43**

Expenditure made in foreign currency during the year was Nil. (P.Y. Nil/-)

**Note 44**

The Company has revalued land in the restated financials as on 1/4/2020 and the valuation is considered as per the Subsequent event after the event after the end of the period.

**Note 45**

The company has not been declared a wilful defaulter by any bank or financial institutions or other lender.

**Notes to the Financial Statements for the year ended 31st December 2023**

**Note 46: Contingent Liabilities**

S. n.	Particulars
1	Office of the Commissioner of Service Tax raised a aggregate demand of Rs. 82,40,063/- vide its order dated- 23/12/2015 along with interest thereon and also imposed the penalty of Rs. 82,50,063/- against the Company for the FY 2008-09 to FY 2012-13. Being aggrieved by the demand raised by the Service Tax Department, the Company has preferred an appeal before the CESTAT and the same is pending till date.
2	The Company purchased material from the Supplier namely Kinlong Hardware India Private Ltd, in the month of September, 2021 of worth Rs. 34,47,231/- which was found to be of inferior quality and rejected. The Supplier was asked to take back the material from the project site. The Supplier didn't removed the material from the project site and claimed for the payment in respect of the material supplied and thereafter filed a suit against the Company before the Commercial Court, Bengaluru for their payment in respect of material supplied along with interest thereon. The suit is in progress before the said Court till date.

**Sub Note:**

S. n.	Particulars
1	The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

<b>2</b>	It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.
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**Note 47: Capital management.**

The primary objective of the Group's capital management is to maximise the shareholder value. For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Parent.

Debt is defined as long-term borrowings, current maturities of long-term borrowings, short-term borrowings and interest accrued thereon (excluding financial guarantee contracts) less Cash and Cash Equivalents.

Capital includes equity attributable to the equity holders to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Parent may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended 31 December 2023, March 31, 2023, March 31, 2022 and March 31, 2021.

**Gearing ratio**

Particulars	As at 31st December 2023	As at 31st March 2023	As at 31st March 2022	As at 31st March 2021
Borrowings	59,752.55	59,246.54	40,158.91	62,072.71
Less: cash and cash equivalents	(10,132.83)	(2,609.02)	(3,042.89)	(29,964.75)
Net debt (A)	<b>49,619.72</b>	<b>56,637.51</b>	<b>37,116.02</b>	<b>32,107.96</b>
Equity Attributable to Owners	1,39,894.51	99,941.80	88,683.09	93,195.55
<b>Total capital (B)</b>	<b>1,39,894.51</b>	<b>99,941.80</b>	<b>88,683.09</b>	<b>93,195.55</b>
Capital and net debt (C= A+B)	1,89,514.23	1,56,579.32	1,25,799.12	1,25,303.51
<b>Capital Gearing Ratio % D= A/C</b>	<b>26.18%</b>	<b>36.17%</b>	<b>29.50%</b>	<b>25.62%</b>

In order to achieve its overall objective, the Group's management amongst other things, aims to ensure that it meets the financial covenants attached to the borrowings. In case of any breach in complying with the financial covenants, the bank shall take action as per terms of the agreement.

**Note 48**

Previous year figures have been regrouped, rearranged or recasted wherever considered necessary to make them comparable with the figures of the current year.

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## **OTHER FINANCIAL INFORMATION**

For Details on other financial information please refer to “Note \_\_” – “Statement of Ratios Analysis” on page no 226 under the chapter titled Financial Statements as Restated beginning on page 196 of this Draft Red Herring Prospectus.

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION**

*The following discussion is intended to convey management's perspective on our financial condition and results of operations for the period ended December 31, 2023 and financial year ended March 31, 2023, 2022, and 2021. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with our section titled "Financial Statements" and the chapter titled "Financial Information" on page 196 of the Draft Red Herring Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled "Risk Factors" on page 26 of this Draft Red Herring Prospectus. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer the chapter titled "Forward-Looking Statements" on page 17 of this Draft Red Herring Prospectus. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Information. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12-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 Aesthetik Engineers Limited, our Company. Unless otherwise indicated, financial information included herein are based on our "Restated Financial Statements" for Financial Years 2023, 2022 & 2021 included in this Draft Red Herring Prospectus beginning on page 196 of this Draft Red Herring Prospectus.*

### ***Business Overview***

Our Company is engaged in the business of designing, engineering, fabrication and installation of facade systems. Our portfolio includes building facades, Aluminium Doors and Windows, Railing and Staircase and Glassfibre Reinforced Concrete (GRC). We offer a wide range of products and services to meet the demands of our customers who belong to various industries such as Hospitality, Architecture, and Infrastructure. We execute end to end solution of our offerings i.e, from designing of façade to installation of facade at the site.

Over the years we have executed various projects for the our clients from different industries. We have offered our services to various construction projects including commercial complex, residential building, airports, and Malls in various states such as West Bengal, Maharashtra, Assam, Odisha and Gujarat.

Our Company has a standard operating process for design, fabrication and installation of our products and services, adherence to these standardized protocols ensures consistency, quality control, and efficiency throughout the entire lifecycle of facade development, thereby facilitating the attainment of project objectives and client satisfaction.

Our Company's registered office is situated at Kolkata from where we conduct our business operations smoothly. Further, we have a factory situated at Howrah, Kolkata, which is being used for the fabrication and assembly of our products with emphasis on quality and performance which are resistant against UV rays, rains, dust, noise and other substance.

### ***About the Promoter***

Mr. Avinash Agarwal is the Promoter & Managing Director of the Company, who started his journey in the year 2003 with a partnership firm, in the name of "M/s Aesthetik". He has an experience of more than two decades in the facade industry. His experience in the facade industry provides us the competitive edge in the market. He is the guiding force behind the success of the Company, and with his guidance and commitment, our company has been able to grow manifold.

## **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR AND STUB PERIOD**

As per mutual discussion between the Board of the Company and BRLM, in the opinion of the Board of the Company there have not arisen any circumstances since the date of the last financial statements as disclosed in the Draft Red Herring Prospectus and which materially and adversely affect or is likely to affect within the next twelve months except as follows:

- The Board of Directors of our Company has approved and passed resolution on April 12, 2024 to authorize the Board of Directors to raise the funds by way of Initial Public Offering.
- The Shareholders of our company appointed Mr. Avinash Agarwal as Managing Director, in the Annual General Meeting held on February 15, 2024.
- The shareholders of our Company appointed Mr. Ullas Pradhan as Independent Director in the Extra-Ordinary General Meeting held on February 15, 2024 and appointed Mr. P Singa Ram as Independent Director in the Extra-ordinary General Meeting on March 13, 2024.
- The board of directors in its meeting held on February 02, 2024 appointed Ms. Priyanka Gupta as Company Secretary & Compliance officer and Mr. Jai Kishan Ojha as Chief Financial Officer of the Company.

## **SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “*Risk Factor*” beginning on page 26 of this Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance.
- Company’s results of operations and financial performance;
- Performance of Company’s competitors;
- Significant developments in India ‘s economic and fiscal policies;
- Failure to adapt to the changing needs of industry and in particular Façade industry, may adversely affect our business and financial condition;
- Volatility in the Indian and global capital market;

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**DISCUSSION ON STANDALONE RESULT OF OPERATION**

*(Amount in thousands)*

S. No.	Particulars	31-12-2023	% of total income	31-03-2023	% of total income	31-03-2022	% of total income	31-03-2021	% of total income
<b>1</b>	Revenue from operations	472631.19	99.85	400097.64	99.14	257391.17	99.25	135805.27	98.88
<b>2</b>	Other income	694.65	0.15	3484.67	0.86	1945.94	0.75	1538.19	1.12
	<b>Total Income (1+2)</b>	<b>473325.84</b>	<b>100.00</b>	<b>403582.31</b>	<b>100.00</b>	<b>259337.11</b>	<b>100.00</b>	<b>137343.46</b>	<b>100.00</b>
<b>3</b>	<b>Expenditure</b>								
<b>a.</b>	Raw material consumption	347988.75	73.52	343021.77	84.99	212405.32	81.90	103306.44	75.22
<b>b.</b>	Change in inventories of finished goods, work-in-progress and stock in trade	(8046.48)	(1.70)	(7433.75)	(1.84)	2890.65	1.11	(3709.90)	(2.70)
<b>c.</b>	Employee benefit expenses	12790.91	2.70	8391.86	2.08	4768.98	1.84	5693.59	4.15
<b>d.</b>	Finance cost	5093.83	1.08	5532.21	1.37	3098.97	1.19	5418.11	3.94
<b>e.</b>	Depreciation and Amortisation expenses	2663.90	0.56	3342.57	0.83	3420.90	1.32	3471.89	2.53
<b>f.</b>	Other expenses	59153.61	12.50	35659.49	8.84	25829.05	9.96	22769.81	16.58
<b>4</b>	<b>Total expenditure</b>	<b>419444.52</b>	<b>88.62</b>	<b>388514.15</b>	<b>96.27</b>	<b>252413.87</b>	<b>97.33</b>	<b>136949.95</b>	<b>99.71</b>
<b>5</b>	<b>Profit/Loss before exceptional &amp; extraordinary items &amp; tax</b>	53681.32	11.34	15068.16	3.73	6923.24	2.67	393.52	0.29
<b>6</b>	<b>Exceptional and extraordinary items</b>	-	-	-	-	-	-	-	-
<b>7</b>	<b>Profit/Loss before tax</b>	53681.32	11.34	15068.16	3.73	6923.24	2.67	393.52	0.29
<b>8</b>	<b>Tax expense</b>								
<b>a.</b>	Tax expense for current year	13569.58	2.87	3843.10	0.95	11461.74	4.42	434.49	0.32
<b>b.</b>	Short/Excess provision of earlier year								
<b>c.</b>	Deferred tax	159.03	0.03	(33.65)	(0.01)	(26.05)	(0.01)	(2415.60)	(1.76)
	<b>Net current tax expenses</b>	<b>13728.61</b>	<b>2.90</b>	<b>3809.45</b>	<b>0.94</b>	<b>11435.69</b>	<b>4.41</b>	<b>(1981.11)</b>	<b>(1.44)</b>
<b>9</b>	<b>Profit/Loss for the year</b>	<b>39,952.71</b>	<b>8.44</b>	<b>11258.71</b>	<b>2.79</b>	<b>(4512.46)</b>	<b>(1.74)</b>	<b>2374.62</b>	<b>1.73</b>

## Items for Restated Financial Statements

### *Our Significant Accounting Policies*

For Significant accounting policies please refer “Significant Accounting Policies”, under Chapter titled Restated Financial Statements beginning on page 196 of the Draft Red Herring Prospectus.

### *Overview of Revenue & Expenditure*

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements for the period ending on December 31, 2023, Financial Year 2023, 2022 & 2021.

Our revenue and expenses are reported in the following manner:

#### **Revenues**

- **Revenue from operations**

Our Company’s revenue is primarily generated from designing, engineering, fabrication and installation of facade systems. Our portfolio includes building facades, Aluminium Doors and Windows, Railing and Staircase and Glassfibre Reinforced Concrete (GRC).

- **Other Income**

Other Income includes interest income from bank deposits, other non-operating income.

#### **Expenditure**

Our total expenditure primarily consists of Raw Material Consumptions, Change in inventories, Employee benefit expenses, Finance Costs, Depreciation, and Other Expenses.

- **Cost of material consumed**

The Cost of material consumed includes raw material purchases which includes Aluminum, Steel, cement, concrete etc.

- **Changes in Stock in Trade**

The Changes in Stock in Trade is the change of opening and closing stock of the period.

- **Employment Benefit Expenses**

Our employee benefits expense primarily comprises of Salaries, wages & bonus expenses, Remuneration to directors, Contribution to Provident and Other Fund, Staff welfare expenses etc.

- **Finance Cost**

Finance Cost includes interest on Bank & NBFC’s Loans, statutory dues, other Borrowing cost including certain bank charges.

- **Depreciation and Amortization Expenses**

Depreciation and Amortization Expenses on Fixed Assets majorly includes depreciation on Plant & Equipment.

- **Other Expenses**

Other Expenses includes majorly expenses on Project execution, selling & advertisement, legal and professional charges, Job work charges and rent.

**FISCAL YEAR ENDED DECEMBER 31, 2023 (BASED ON RESTATED FINANCIAL STATEMENTS)**

- **Total Income**  
Total Income for the period ended December 31, 2023 is stood at Rs. 473325.84 Thousands.
- **Revenue from operations**  
Net revenue from operations for the period ended December 31, 2023 is stood at Rs. 472631.19 Thousands, representing 99.85% of the Total Revenue.
- **Other Income**  
Other Income for the period ended December 31, 2023 is stood at Rs. 694.65 Thousands, representing 0.15% of the Total Revenue.

**Expenditure**

- **Total Expenses**  
Total Expenses for the period ended December 31, 2023 is stood at Rs. 419444.52 Thousands, representing 88.62% of Total Revenue.
- **Cost of Material consumed**  
Cost of Material Consumed for the period ended December 31, 2023 is stood at Rs. 3,47,988.75 Thousands, representing 73.52% of Total Revenue.
- **Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade**  
The Changes in Inventories of Finished Goods, work in Progress and Stock in Trade for the period ended December 31, 2023 is stood at Rs. (8,046.48) Thousands, representing 1.70 of Total Revenue
- **Employment Benefit Expenses**  
Employee benefit expenses for the period ended December 31, 2023 is stood at Rs. 12,790.91 Thousands, representing 2.70% of Total Revenue.
- **Finance Cost**  
Finance Cost for the period ended December 31, 2023 is stood at Rs. 5,093.83 Thousands, representing 1.08% of Total Revenue.
- **Depreciation and Amortization Expenses**  
The Depreciation and Amortization Expenses for the period ended December 31, 2023 is stood at Rs. 2,663.90 Thousands, representing 0.56% of Total Revenue.
- **Other Expenses**  
The Other Expenses for the period ended December 31, 2023 Rs. 59153.61Thousands, representing 12.46% of the Total Revenue.
- **Restated Profit before Tax**  
The restated profit before tax for the period ended December 31, 2023 is stood at Rs. 53681.32 Thousands, representing 11.34% of Total Revenue.
- **Restated Profit after Tax**  
The restated profit after tax for the period ended December 31, 2023 is stood at Rs. 39,952.71 Thousands, representing 8.44% of Total Revenue.

**Reason for change in the Revenue from operation and Profit after tax**

*(Amount in Thousands)*

Particulars	For the period December 31, 2023	For the period March 31, 2023
Revenue from Operation	4,72,631.19	4,00,097.64
Change in %	18.13%	
Profit after tax	39,952.71	11,258.71
Pat Margin in %	8.45%	2.81%

Reason of increase in revenue is that because our sale of product has been increase by 1829.31% and slightly increase in the sale of services by 5.65%, the same can be shown below:

*(Amount in Thousands)*

Particulars	For the period December 31, 2023	For the period March 31, 2023
Sale of Products	52,811.00	2,737.30
Sale of Services	4,19,820.19	3,97,360.34
<b>Revenue from Operation</b>	<b>4,72,631.19</b>	<b>4,00,097.64</b>

Reason of Increase in PAT margin is that Profit before tax increased because some expenses are of fixed nature and that do not increase in proportion to increase in revenue. Hence the profit margin increases by increasing profit before tax.

**FISCAL YEAR ENDED MARCH 31, 2023 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2022 (BASED ON RESTATED FINANCIAL STATEMENTS)**

**Revenues**

• **Total Income**

Total Income for the Financial Year 2022-23, it stood at Rs. 4,03,582.31 Thousands whereas in Financial Year 2021-22 it stood at Rs. 2,59,337.11 representing a increase of 55.62%.

• **Revenue from operations**

Net revenue from operations For the Financial Year 2022-2023 stood at Rs 4,00,097.64 thousands. Whereas For the Financial Year 2021-22, it stood at 2,57,391.17 thousands representing an increase of 55.44%.

**Reason:** There's an increase in "revenue from operation" on account of increase in "sale of services"

**Other Income**

Other Income for the Financial Year 2022-2023 stood at Rs. 3,484.67 Thousands. Whereas For the Financial Year 2021-22, it stood at Rs. 1,945.94 Thousands representing an increase of 79.07%.

**Reason:** There is an increase in 'other income' majorly because of reversal of provision for trade receivables and insurance claim received.

**Expenditure**

• **Total Expenses**

Total Expenses for the Financial Year 2022-2023 stood at Rs. 3,88,514.15 Thousands. Whereas For the Financial Year 2021-22, it stood at Rs. 2,52,413.87 Thousands representing an increase of 53.92%.

• **Cost of Material consumed**

Cost of Material Consumed for the Financial Year 2022-2023, stood at Rs. 3,43,021.77 Thousands. where as in Financial Year 2021-22 it stood at Rs. 2,12,405.32 Thousands representing an increase of 61.49%.

**Reason:** There is an increase in ‘cost of material consumption’ due to increases in revenue from operation of the company.

- **Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade**

The Changes in Inventories of Finished Goods, work in Progress and Stock in Trade for the Financial Year 2022-2023, stood at Rs. (7,433.75) Thousands whereas in Financial Year 2021-22 it stood at Rs. 2,890.65 Thousands representing a decrease of 357.17%.

**Reason:** This decrease was due to increase in the closing stock because our projects has been increased from previous year and in order to complete these project, we need to maintain the large amount of inventory.

- **Employment Benefit Expenses**

Employee benefit expenses For the Financial Year 2022-2023 stood at Rs. 8,391.86 Thousands. Whereas For the Financial Year 2021-22, it stood at Rs. 4,768.98 Thousands representing an increase of 75.97%.

**Reason:** There was an increase in ‘Employee benefit expenses’ due to increase in ‘Salaries, Wages, Bonus & Allowances, Staff Welfare Expenses.

- **Finance Cost**

Finance Cost for the Financial Year 2022-2023 stood at Rs. 5,532.21 Thousands Whereas For the Financial Year 2020-21, it stood at Rs. 3,098.97 Thousands representing an increase of 78.52%.

**Reason:** This was primarily due to an increase in commissions on issuance of bank guarantee and letter of credit.

- **Depreciation and Amortization Expenses**

The Depreciation and Amortization Expenses for the Financial Year 2022-2023 stood at Rs. 3,342.57 Thousands. Whereas For the Financial Year 2021-22, it stood at Rs. 3,420.90 Thousands representing an decrease of 2.29%.

**Reason:** This increase was due to disposal of the fixed assets in the year 2021-22 and the effect of which reflects in the next year.

- **Other Expenses**

The Other Expenses for the Financial Year 2022-2023 stood at Rs. 35,659.49 Thousands. Whereas For the Financial Year 2021-22, it stood at Rs. 25,829.05 representing an increase of 38.06%.

**Reason:** There is an increase in ‘Other expenses’ because it includes variable cost also which increase with increase in turnover. The same is in line with increase in turnover which increase by 55.62% in 2022-23 to 2021-22.

- **Restated Profit before Tax**

The restated profit before tax For the Financial Year 2022-2023 stood at Rs. 15,068.16 Thousands. Whereas For the Financial Year 2021-22, it stood at Rs. 6,923.24 Thousands representing a increase of 117.65%.

- **Restated Profit after Tax**

The restated profit after tax For the Financial Year 2022-2023 stood at Rs. 11,258.71 Thousands. Whereas For the Financial Year 2021-22, it stood at Rs. (4,512.46) Thousands representing an increase of 349.50%.

**Reason for change in the Revenue from operation and Profit after tax**

*(Amount in Thousands)*

Particulars	For the period March 31, 2023	For the period March 31, 2022
Revenue from Operation	4,00,097.64	2,57,391.17

Change in %	55.44%	
Profit after tax	11,258.71	(4,512.46)
Pat Margin in %	2.81%	(1.75%)

Reason of increase in revenue is that because there is an extensive increase in the sale of services by 56.30%, the same can be shown below:

*(Amount in Thousands)*

Particulars	For the period March 31, 2023	For the period March 31, 2022
Sale of Services	4,19,820.19	3,97,360.34
Change in %	56.30%	

Reason of Increase in PAT margin is that Profit before tax increased because some expenses are of fixed nature and that do not increase in proportion to increase in revenue. Hence the profit margin increases by increasing profit before tax.

### **FISCAL YEAR ENDED MARCH 31, 2022 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2021 (BASED ON RESTATED FINANCIAL STATEMENTS)**

#### **Revenues**

- **Total Income**

Total Income for the Financial Year 2021-2022, it stood at Rs. 2,59,337.11 Thousands whereas in Financial Year 2020-21 it stood at Rs. 1,37,343.46 Thousands representing an increase of 88.82%.

- **Revenue of operations**

Net revenue from operations For the Financial Year 2021-2022 stood at Rs. 2,57,391.17 Thousands Whereas For the Financial Year 202-2021, it stood at Rs. 1,35,805.27 Thousands representing an increase of 89.53%.

**Reason:** There's an increase in 'Revenue from operation' majorly due to recovery of real estate market after COVID-19 and speedy execution of the projects.

- **Other Income**

Other Income for the Financial Year 2021-2022 stood at Rs. 1945.94 Thousands. Whereas For the Financial Year 2020-21, it stood at Rs. 1538.19 Thousands representing an increase of 26.51%.

**Reason:** There is an increase in 'other income' because company has settled its Income Tax dispute under amnesty scheme of Central Government "Vivad Se Vishwas" and as a result interest on refund from revenue authority accrued to the tune of 721.89 thousands. Also, a VAT refund in the state of Odisha was realized'.

#### **Expenditure**

- **Total Expenses**

Total Expenses for the Financial Year 2021-2022 stood at Rs. 2,52,413.87 Thousands. Whereas For the Financial Year 2020-2021, it stood at Rs. 1,36,949.95 Thousands representing an increase of 84.31%.

- **Cost of Material consumed**

Cost of Material Consumed for the Financial Year 2021-2022, stood at Rs. 2,12,405.32 Thousands whereas in Financial Year 2020-2021 it stood at Rs. 1,03,306.44 Thousands representing an increase of 105.61%.

**Reason:** our cost of raw materials consumed in fiscal 2021 increased primarily due to increase in purchase of raw materials to start the execution of new orders received.

- **Changes in Inventories of Finished Goods, Work in Progress and Stock in Trade**

The Changes in Inventories of Finished Goods, work in Progress and Stock in Trade for the Financial Year 2021-2022, stood at Rs. 2,890.65 Thousands whereas in Financial Year 2020-2021 it stood at Rs. (3,709.90) Thousands representing an increase of 177.92%.

**Reason:** This was due to increase in maintenance of inventory level for progress of new work.

- **Employment Benefit Expenses**

Employee benefit expenses For the Financial Year 2021-2022 stood at Rs. 4,768.98 Thousands. Whereas For the Financial Year 2020-2021, it stood at Rs. 5,693.59 Thousands representing an decrease of 16.24%.

**Reason:** There was a decrease in 'Employee benefit expenses' because of decrease in directors remuneration.

- **Finance Cost**

Finance Cost for the Financial Year 2021-2022 stood at Rs. 3,098.97 Thousands. Whereas For the Financial Year 2020-2021, it stood at Rs. 5,418.11 Thousands representing an decrease of 42.80%.

**Reason:** This was primarily due to a decrease in payment of interest on loan against property taken by company. Company has repaid loan against property during the year FY2020-21 the effect of which reflects in FY 2021-22.

- **Depreciation and Amortization Expenses**

The Depreciation and Amortization Expenses for the Financial Year 2021-2022 stood at Rs. 3,420.90 Thousands. Whereas For the Financial Year 2020-2021, it stood at Rs. 3,471.89 Thousands representing an decrease of 1.47%.

**Reason:** This decrease was due to disposal of fixed of assets in the year 2020-21 and the effect of which reflects in the next year.

- **Other Expenses**

The Other Expenses for the Financial Year 2021-2022 stood at Rs. 25,829.05 Thousands. Whereas For the Financial Year 2020-2021, it stood at Rs. 22,769.81 Thousands representing an increase of 13.44%.

**Reason:** There is a increase in 'Other expenses' because it includes variable cost also which increase with increase in turnover. The same is in line with increase in turnover which increase by 55.64% in 2022-23 to 2021-22.

- **Restated Profit before Tax**

The restated profit before tax For the Financial Year 2021-2022 stood at Rs. 6,923.24 Thousands. Whereas For the Financial Year 2020-2021, it stood at Rs. 393.52 Thousands representing an increase of 1659.32%.

- **Restated Profit after Tax**

The restated profit after tax For the Financial Year 2021-2022 stood at Rs. (4,512.46) Thousands. Whereas For the Financial Year 2020-2021, it stood at Rs. 2,374.62 Thousands representing a decrease of 290.03%.

**Reason for change in the Revenue from operation and Profit after tax**

*(Amount in Thousands)*

Particulars	For the period March 31, 2022	For the period March 31, 2021
Revenue from Operation	2,57,391.17	1,35,805.27
Change in %	89.53%	
Profit after tax	(4,512.46)	2374.62
Pat Margin in %	(1.75%)	1.75%

Reason of increase in revenue is that because there is a significant increase in the sale of services by 91.41%, This surge seems to be linked to the recovery of the real estate market post-COVID-19 and the expedited completion of projects that were previously stalled due to the pandemic, the same can be shown below:

(Amount in Thousands)

Particulars	For the period March 31, 2022	For the period March 31, 2021
Sale of Services	2,54,234.60	1,32,820.73
Change in %	91.41%	

Reason for decrease in the PAT in the year 2021-22 is that the company has settled its old dispute of income tax under the amnesty scheme of “Vivad se Viswas”. Hence the impact of earlier year taxes increases the current year tax amount and because of this the PAT has been decreased.

**INFORMATION REQUIRED AS PER ITEM (II) (C) (IV) OF PART A OF SCHEDULE VI TO THE SEBI REGULATIONS:**

**1. Unusual or infrequent events or transactions:**

Except as described in this Draft Red Herring Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

**2. Significant economic changes that materially affected or are likely to affect income from continuing operations:**

Other than as described in the section titled Risk Factors beginning on page 26 of this Draft Red Herring Prospectus, to our knowledge there are no known significant economic changes that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

**3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations:**

Other than as described in this Draft Red Herring Prospectus, particularly in the sections Risk Factors and Management’s Discussion and Analysis of Financial Condition and Results of Operations on pages 26 and 248, respectively, to our knowledge, there are no known trends or uncertainties that are expected to have a material adverse impact on our revenues or income from continuing operations.

**4. Income and Sales on account of major product/main activities:**

Income and sales of our Company on account of major activities derives from the business of designing, engineering, fabrication and installation of facade systems. Our portfolio includes building facades, Aluminium Doors and Windows, Railing and Staircase and Glassfibre Reinforced Concrete (GRC).

**5. Future changes in relationship between costs and revenues, in case of events such as future increase in labor or material costs or prices that will cause a material change are known:**

Our Company’s future costs and revenues can be indirectly impacted by an increase in labor costs as the company require labor and material for the execution of the projects as the company does not directly employ any labor or directly procure the raw materials required for the projects.

**6. Future relationship between Costs and Income**

Our Company’s future costs and revenues will be determined by competition, demand/supply situation, Indian Government Policies, and interest rates quoted by banks & others.

**7. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.**

Increases in our revenues are by and large linked to increases in the volume of business.

**8. Total turnover of each major industry segment in which the issuer company operates**

The Company operates in Facade Industry. Relevant industry data, as available, has been included in the chapter titled “Our Industry” beginning on page 103 of this Draft Red Herring Prospectus.

**9. Status of any publicly announced new products or business segments:**

Our Company has not announced any new services and product and segment / scheme, other than disclosure in this Draft Red Herring Prospectus.

**10. The extent to which the business is seasonal:**

Our business does not depend to a certain extent on the seasonal, environmental and climate changes. However, the Seasonal factors, particularly the monsoon season in the second quarter of each fiscal year, can impede our operations and projects. This may lead to reduced activity, continued operating expenses, delays in project-related tasks, and potential damage to project sites or material delivery delays.

**11. Competitive Conditions**

We face competition from existing and potential competitors which is common for any business. Over a period of time, we have developed certain competitive strengths which have been discussed in section titled Our Business on page 129 of this Draft Red Herring Prospectus.

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## FINANCIAL INDEBTEDNESS

In terms of the Articles of Association of the Company, the Board is authorized to accept deposits from members either in advance of calls or otherwise, and generally accept deposits, raise loans or borrow or secure the payment of any sum of moneys to be borrowed together with the moneys already borrowed including acceptance of deposits apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, exceeding the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) or upto such amount as may be approved by the shareholders from time to time.

Our Company has obtained the necessary consents required under the relevant loan documentation with banks and financial institutions for undertaking activities, such as change in its capital structure, change in its shareholding pattern and change in promoter's shareholding which has a possible change in the management control of our Company.

As on December 31, 2023, our Company has total outstanding secured borrowings from banks and financial institutions aggregating to Rs. 1,43,198.85 Thousands and Unsecured Loan aggregating to Rs. 45,194.40 Thousands, as per the certificate issued by M/s Maroti & Associates, Chartered Accountants, dated April 18, 2024

Set forth below is a brief summary of our aggregate borrowings from banks and financial institutions on a consolidated basis as of December 31, 2023:

### Secured

*(Amount in thousands)*

Name of persons/companies	Loan Amounts	Rate of Interest/ Commission (%)	Nature of Loan	Tenure	Outstanding as on December 31, 2023
Yes Bank Limited	40,000.00	9.75% P.A.	Cash Credit	12 Months	14,558.14
Yes Bank Limited	1,50,000.00	Performance BG – 1.00% P.A. Advance BG – 1.00% P.A.	Bank Guarantee and Letter of Credit facility	12 Months	1,28,640.71

### Unsecured

*(Amount in thousands)*

Name of persons/companies	Nature of Tenure	Outstanding as on December 31, 2023
Anukaran Suppliers Private Limited	Inter Corporate Loan	409.40
Avinash Agarwal HUF	Inter Corporate Loan	200.00
Avinash Agarwal	Working Capital Loan	39,500.00
Shyama Agarwal	Working Capital Loan	235.00
Sreeti Agarwal	Working Capital Loan	2,225.00
Vijay Kumar Agarwal	Working Capital Loan	2,625.00

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## SECTION VII - LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

*Except, as stated in this section and mentioned elsewhere in this Draft Red Herring Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters or Group Companies.*

Except as disclosed below there are no:

- a) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years;
- b) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action;
- c) pending proceedings initiated against our Company for economic offences;
- d) default and non-payment of statutory dues by our Company;
- e) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last five years against our Company, including fines imposed or compounding of offences done in those five years;
- f) Material frauds committed against our Company in the last five years.

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving our Company, Promoters, Directors and Group Companies/entities, would be considered material for the purposes of disclosure if:

- a) the monetary amount of the claim made by or against the Company, its joint venture(s) and directors in any such pending litigation is equal to or in excess of 10% of the consolidated revenue of the Company or 25% of the profits before tax of the Company (whichever is lower) as per the last audited financial statements of the Company for a complete financial year, as included in the Offer Documents; or
- b) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation does not exceed the amount determined as per clause (a) above, and the amount involved in all of such cases taken together exceeds the amount determined as per clause (a) above; and
- c) Any such litigation which does not meet the criteria set out in (a) above and an adverse outcome in which would materially and adversely affect the operations or financial position of the Company.
- d) Our Board, in its meeting held on April 12, 2024, determined that outstanding legal proceedings involving

the Company, its Directors and Promoters will be considered as material litigation (“Material Litigation”) if the aggregate amount involved in such individual litigation exceeds 1% of profit after tax of the Company, as per the last audited standalone financial statements of the Company or such litigations outcome could have a material impact on the business, operations, prospects or reputations of the Company.

Accordingly, we have disclosed all outstanding litigations involving our Company, Promoters, Directors and Group Companies which are considered to be material. In case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation has been considered material only in the event that the outcome of such litigation has an adverse effect on the operations or performance of our Company. Unless otherwise stated to contrary, the information provided is as of date of this Draft Red Herring Prospectus.

## **I. Litigations involving our Company**

### **A. Against our Company**

#### **1. Litigation involving Criminal Matters: NIL**

#### **2. Litigation involving Civil Matters:**

##### **1. Kinlong Hardware India Private Limited v. Aesthetik Engineering Private Limited**

The Civil Suit has been filed by the M/s Kinlong Hardware India Private Limited (“The Plaintiff”), having case no. CS (Comm) No. 1081 of 2023, against our Company M/s Aesthetik Engineers Pvt. Ltd. (“The Respondent”), is pending before the Learned Additional City Civil and Sessions Judge, Bangalore South, Bengaluru.

The current status of the case is that the Company is to file its Written Statement in the suit. The next date of hearing is May 21, 2024.

##### **Brief facts of the Case:**

The plaintiff was in business with the Company for supplying its various goods under a single purchase order. As per the terms of performance of the contract between the two parties, the Company had issued a Letter of Credit. Thereafter, invoices were raised, and subsequently, after adjustments, the Company was liable to pay a sum of Rs. 34,47,231/-. As such, the letter of credit was invoked. However, the documents relating to the payment of letter of credit were returned. Thus, the suit was initiated.

#### **3. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**

#### **4. Litigation/Matters involving Tax Liabilities:**

##### **1. Commissioner of Service Tax-II, Kolkata v. Aesthetik Engineers Private Limited**

The proceeding was initiated on April 22, 2014 by the Learned Commissioner of Service Tax-II, Kolkata against the Aesthetik Engineering Private Limited (The Company), having case no. C. No. V(15) 111/ST-Adjn/Commr /14/1584.

The current status of the Proceeding is that the order of the Learned Commissioner of Service Tax-II, Kolkata dated December 23, 2015 has been challenged before the Hon’ble Customs, Excise and Service Tax Appellate Tribunal.

**Brief facts of the case:**

A show-cause notice was issued against the Company for allegedly contravening the provisions of Sections 67 and 68 of the Finance Act, 1994 read with Rule 6 of Service Tax Rules, 1994 read with provisions under Notification no. 1 /2006-ST dated March 01, 2006, and Section 69 of the said Act read with Rule 4 the said Rules in as much as the Company did not pay service taxes by wilful suppression of relevant facts and circumstances. In furtherance of the said notice, the said proceeding began. By an order dated December 23, 2015, the Learned Commissioner of Service Tax-II, Kolkata, confirmed the demand made under the show cause notice and imposed penalty of Rs. 82,40,063/- upon the Company.

**B. By our Company**

**1. Litigation involving Criminal Matters:**

**1. Aesthetik Engineers Private Limited v. Mr. Vikas Agarwal**

The Criminal Proceeding has been filed by M/s Aesthetik Engineers Pvt. Ltd (“The Petitioner”), having case no. CN/51290/2015, against Mr. Vikas Agarwal. (“The Respondent”) for committing offence punishable under Section 500 of the Indian Penal Code, 1860 and which is pending before Learned Metropolitan Magistrate, 17<sup>th</sup> Court, Calcutta.

The current status of the case that the Learned Metropolitan Magistrate has taken cognizance of the matter and posted the matter for witness action of the prosecution. Last hearing date was 28.02.2024 and next hearing date is 14.05.2024.

**Brief facts of the Case:**

Criminal proceeding was instituted against the accused on the pretext that it had made unwarranted and false defamatory statements against the complainant company to one India Cable Net Company Limited (which has previously awarded contracts in the favour of the complainant) with a view to cause loss to the business of the complainant. Thus, the accused person had committed an offence punishable under Section 500 of the Indian Penal Code, 1860.

**2. Aesthetik Engineers Private Limited v. Pallab Das and Ors.**

The Criminal Proceeding has been filed by the Aesthetik Engineers Pvt. Ltd (“The Petitioner”), having New Alipore P.S. Case no. 64 of 2023, against Mr. Pallab Das and Ors (“The Respondent”) for committing offence punishable under Section 381, 408, 420 and 120B of the Indian Penal Code, 1860.

The current status is that the Investigation by the police is currently pending in the matter.

**Brief facts of the case:**

The FIR was filed on the pretext that the accused persons, while in employment with the Company, had committed theft and other offences punishable under Sections 381, 408, 420 and 120B of the Indian Penal Code, 1860.

**3. FIR No. 161 of 2023, Leather Complex Police Station**

An FIR in this case was filed by Aesthetik Engineers Pvt. Ltd. at Leather Complex Police Station (FIR No. 161 of 2023), for stealing articles worth Rs. 45,60,856/- belonging to the company. The

FIR was registered under Section 379 of the Indian Penal Code for offence punishable under theft.

The investigation in the case is currently underway and the case would be listed before the learned Additional Chief Judicial Magistrate, Sealdah.

**Brief Facts of the Case:**

In this case, theft of equipment belonging to the complainant (Aesthetik Engineers Pvt. Ltd) was committed by unknown accused persons from the premises of Infosys. The said accused persons have committed offence punishable under Section 379 of the Indian Penal Code, 1860, by stealing articles worth Rs. 45,60, 856 /- belonging to the Complainant.

**2. Litigation involving Civil Matters:**

**1. Aesthetik Engineers Private Limited v. Vikas Agarwal**

The Civil Suit has been filed by the M/s Aesthetic Engineers Private Limited (“The Plaintiff”), having case no. CS (Comm) No. 325 of 2015, against Vikas Agarwal (“The Respondent”) for losses suffered by the Company because of malicious defamatory statements made against it and its directors, which is pending before the Hon’ble High Court at Calcutta.

The last Date of hearing was 20.03.2024 and next hearing date 01.05.2024. The Current status is that the defendant has not yet entered appearance in the suit. It is currently fixed for witness action of the plaintiff.

**Brief facts of the case:**

The Suit has been filed by the plaintiff for claiming damages to the tune of Rs. 10,00,00,000/- for losses suffered by the Company because of malicious defamatory statements made against it and its directors.

**3. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**

**4. Litigation/Matters involving Tax Liabilities: NIL**

**II. Litigations involving our Promoters/Directors**

**A. Against our Promoters/Directors**

- 1. Litigation involving Criminal Matters: NIL**
- 2. Litigation involving Civil Matters: NIL**
- 3. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
- 4. Litigation/Matters involving Tax Liabilities: NIL**

**B. By our Promoters/Directors**

- 1. Litigation involving Criminal Matters: NIL**
- 2. Litigation involving Civil Matters: NIL**
- 3. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
- 4. Litigation/Matters involving Tax Liabilities: NIL**

### III. Litigations involving our Group Entities

**A. Against our Group Entities: NIL**

**B. By our Group Entities: NIL**

### IV. Litigations relating to the Subsidiary Company

**A. Against Directors of our Subsidiary Company: NA**

**B. By Directors of our Subsidiary Company: NA**

*Note: Our Company has no Subsidiary Company.*

### V. Other litigations involving any other entities which may have a material adverse effect on our Company.

There is no outstanding litigation, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of the Companies Act, show cause notices or legal notices pending against any company whose outcome could affect the operation or finances of our Company or have a material adverse effect on the position of our Company.

### VI. Details of the past penalties imposed on our Company / Directors

Except as disclosed above as on the date of this Draft Red Herring Prospectus, there are no cases in the last five years in which penalties have been imposed on our Company or our Directors.

### VII. Outstanding dues to Creditors

As per the materiality policy of the Company for disclosing outstanding amounts to creditors. Based on the same, as on December 31, 2023 our Company had outstanding dues to creditors as follows:

Particulars	(Amount in Thousands)
<b>Trade Payables</b>	
Micro, Small and Medium Enterprises	0.00
Others	90,120.71
<b>Total</b>	<b>90,120.71</b>

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, [www.aesthetik.in](http://www.aesthetik.in) would be doing so at their own risk.

### VIII. Material developments occurring after last balance sheet date, that is, December 31, 2023.

Except as disclosed in the section titled –Management's Discussion and Analysis of Financial Condition and Results of Operations of our Company beginning on page number 248 of this Draft Red Herring Prospectus, in the opinion of our Board, there have not arisen, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, any circumstances that materially or adversely affect or are likely to affect our profitability taken as a whole or the value of its assets or its ability to pay its material liabilities within the next 12 months.

**We certify that except as stated herein above:**

- a. There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by our Company, promoters, group entities, companies promoted by the promoters during the past three years.
- b. There are no cases of litigation pending against the Company or against any other Company in which Directors are interested, whose outcome could have a materially adverse effect on the financial position of the Company.
- c. There are no pending litigation against the Promoters/ Directors in their personal capacities and also involving violation of statutory regulations or criminal offences.
- d. There are no pending proceedings initiated for economic offences against the Directors, Promoters, Companies and firms promoted by the Promoters.
- e. There are no outstanding litigation, defaults etc. pertaining to matters likely to affect the operations and finances of the Company including disputed tax liability or prosecution under any enactment.
- f. The Company, its Promoters and other Companies with which promoters are associated have neither been suspended by SEBI nor has any disciplinary action been taken by SEBI.
- g. There is no material regulatory or disciplinary action by SEBI, stock exchange or regulatory authority in the past five year in respect of our promoters, group company's entities, entities promoted by the promoters of our company.
- h. There are no status of criminal cases filed or any investigation being undertaken with regard to alleged commission of any offence by any of our Directors. Further, none of our Directors has been charge-sheeted with serious crimes like murder, rape, forgery, economic offences etc.
- i. The issue is in compliance with applicable provision of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation 2018.
- j. Neither the Company nor any of its promoters or directors is a willful defaulter.

*This space has been left blank intentionally.*

## GOVERNMENT AND OTHER APPROVALS

*In view of the licenses / permissions / approvals / no-objections / certifications / registrations, (collectively “Authorisations”) listed below, our Company can undertake this Issue and our current business activities and to the best of our knowledge, no further approvals from any governmental or regulatory authority or any other entity are required to undertake this Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of this Draft Red Herring Prospectus. It must be distinctly understood that, in granting these approvals, the GoI, the RBI or any other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled “Key Industry Regulation and Policies” beginning on page 153 of the Draft Red Herring Prospectus.*

### CORPORATE APPROVALS FOR THIS ISSUE

1. The Board of Directors have, pursuant to resolutions passed at its meeting held on April 12, 2024 has approved the Issue, subject to the approval by the shareholders of the Company under Section 62 (1) (c) of the Companies Act 2013.
2. The Shareholders have, pursuant to the resolution dated April 16, 2024 under section 62 (1) (c) of the Companies Act 2013, authorized the Issue.

### IN-PRINCIPLE APPROVAL

The Company has obtained approval from NSE vide its letter dated [●] to use the name of NSE in this Offer document for listing of equity shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.

### AGREEMENTS WITH NSDL AND CDSL

1. The Company has entered into an agreement dated February 27, 2024, with the Central Depository Services (India) Limited (CDSL), and the Registrar and Transfer Agent, who, in this case, is , Skyline Financial Services Private Limited for the dematerialization of its shares.
2. The Company has also entered into an agreement dated March 15, 2024, with the National Securities Depository Limited (NSDL) and the Registrar and Transfer Agent, who, in this case, is , Skyline Financial Services Private Limited for the dematerialization of its shares.
3. The Company’s International Securities Identification Number (ISIN) is INE0TSF01011.

### INCORPORATION DETAILS OF OUR COMPANY

S.N.	Authorisation granted	Issuing Authority	CIN	Date of Issue	Valid upto
1.	Certificate of Incorporation in the name of “Aesthetik Engineers Private Limited”	ROC, Kolkata	U74210WB2008PTC124716	02/04/2008	Perpetual

2.	Certificate of Incorporation for conversion from Private to Public company in the name of “Aesthetik Engineers Limited”	ROC, Kolkata	U74210WB2008PLC124716	24/01/2024	Perpetual
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#### TAX RELATED AUTHORISATIONS OF COMPANY

S.N.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
1.	Permanent Account Number	Income Tax Department, GoI	AAHCA0167A	02/04/2008	Perpetual
2.	Tax Deduction Account Number	Income Tax Department, GoI	CALA10929C	08/03/2024	Perpetual
3.	Professional Tax certificate	State of West Bengal	191001529114	30/04/2015	Perpetual
<b>Details of GST registration of the Company</b>					
4.	GST Registration Certificate (Odisha)	Central Goods and Services Tax Act, 2017	21AAHCA0167A1ZJ	21/09/2017	Valid until cancellation
5.	GST Registration Certificate (Maharashtra)	Central Goods and Services Tax Act, 2017	27AAHCA0167A1Z7	02/08/2021	Valid until cancellation
6.	GST Registration Certificate (Chhattisgarh)	Central Goods and Services Tax Act, 2017	22AAHCA0167A1ZH	27/06/2018	Valid until cancellation
7.	GST Registration Certificate (West Bengal)	Central Goods and Services Tax Act, 2017	19AAHCA0167A1Z4	17/03/2020	Valid until cancellation
8.	GST Registration Certificate (Gujarat)	Central Goods and Services Tax Act, 2017	24AAHCA0167A1ZD	17/05/2022	Valid until cancellation
9.	GST Registration Certificate (Sikkim)	Central Goods and Services Tax Act, 2017	11AAHCA0167A1ZK	05/09/2018	Valid until cancellation

#### LABOUR LAW RELATED APPROVALS

S.N.	Authorization granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Valid upto
01.	Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Employees Provident Funds Organisation	WBHLO0049729000	11/03/2019	Valid until cancellation
02.	Employees State Insurance Act, 1948	Employees State Insurance	N/41000479730000699	10/08/2011	Valid until cancellation

		Corporation			
03.	Factory License	Directorate of Factories, Govt. of West Bengal	087-HW/X/2021	08/04/2021	07/02/2029

### **BUSINESS RELATED CERTIFICATIONS**

Our Company has received the following significant government and other approvals pertaining to our business:

<b>S.N.</b>	<b>Authorization granted</b>	<b>Issuing Authority</b>	<b>Registration No./Reference No./License No.</b>	<b>Date of Issue</b>	<b>Valid upto</b>
01.	Udyam Registration Certificate	Ministry of Micro, Small and Medium Enterprise, GOI	UDYAM-WB-10-0009894	30/12/2020	Valid until cancellation
02.	Pollution Control Board License	West Bengal Pollution Control Board	686/POL/DIC/HOW/2020-2021	08/02/2021	31/12/2027
03.	Trade license	Kolkata Municipal Corporation	311071637649	23/02/2023	31/03/2025
04.	Importer-Exporter Code	Directorate General of Foreign Trade, GOI	AAHCA0167A	17/11/2023	Valid until cancellation

### **Material licenses/approvals for which our Company is yet to apply / Statutory Approvals/ Licenses required for the proposed expansion.**

Our Company do not have any pending licenses, permissions, and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies which applied for but not yet received.

*Note: Some of the approvals are in the name of Aesthetik Engineers Private Limited and the Company is in the process of taking all the approval in the new name of the Company i.e. Aesthetik Engineers Limited.*

**IT MUST, HOWEVER BE, DISTINCTLY UNDERSTOOD THAT IN GRANTING THE ABOVE-MENTIONED APPROVALS, THE CENTRAL GOVERNMENT, STATE GOVERNMENT, RBI AND OTHER AUTHORITIES DO NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS.**

*This space has been left blank intentionally.*

## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Issue**

1. This Issue has been authorised by a resolution passed by our Board of Directors at its meeting held on April 12, 2024.
2. The Shareholders of our Company have authorised this Issue by their Special Resolution passed pursuant to Section 62 (1) (c) of the Companies Act, 2013, at its EGM held on April 16, 2024, and authorised the Board to take decisions in relation to this Issue.
3. The Company has obtained approval from NSE vide its letter dated [●] to use the name of NSE in this Offer document for listing of equity shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.
4. Our Board has approved this Draft Red Herring Prospectus through its resolution dated May 03, 2024.
5. We have also obtained all necessary contractual approvals required for this Issue. For further details, refer to the chapter titled “*Government and Other Approvals*” beginning on page no. 266 of this Draft Red Herring Prospectus.

### **Prohibition by SEBI**

Our Company, Directors, Promoters, members of the Promoter Group and Group Entities or the Director and Promoter of our Promoter Companies, have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

The companies, with which Promoters, Directors or persons in control of our Company were or are associated as promoters, directors or persons in control of any other company have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

### **Prohibition by RBI or Governmental authority**

Our Company, our Promoters or their relatives (as defined under the Companies Act) and our Group Entities have confirmed that they have not been declared as wilful defaulters by the RBI or any other government authority and there are no violations of securities laws committed by them in the past or no proceeding thereof are pending against them.

Our directors have not been declared as wilful defaulter by RBI or any other government authority and there have been no violation of securities laws committed by them in the past or no proceedings thereof are pending against them.

### **Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018**

In view of the General Circular No. 07/2018 dated September 6, 2018 and General Circular No. 8/ 2018 dated September 10, 2018 issued by the Ministry of Corporate Affairs, Government of India, our Company, and our Promoter Group will ensure compliance with the Companies (Significant Beneficial Ownerships) Rules, 2018, upon notification of the relevant forms, as may be applicable to them.

## **Directors associated with the Securities Market**

We confirm that none of our directors are associated with the securities market in any manner and no action has been initiated against these entities by SEBI in the past five (5) years preceding the date of this Draft Red Herring Prospectus.

## **ELIGIBILITY FOR THIS ISSUE**

Our Company is eligible for the Offer in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018 as the post Offer face value capital is More than Rs.1,000 Lakh, But upto 2,500 Lakh. Our Company also complies with the eligibility conditions laid by the Emerge Platform of NSE Limited for listing of our Equity Shares.

### **We confirm that:**

- a) In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this Issue ***will be hundred percent underwritten and that the BRLM to the Offer will underwrite at least 15% of the Total Issue Size.*** For further details pertaining to said underwriting please refer to “General Information” Underwriting on page 50 of this Draft Red Herring Prospectus.
- b) In accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight (8) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight (8) days, be liable to repay such application money with interest as prescribed under Section 40 of the Companies Act, 2013 and SEBI (ICDR) Regulations.
- c) In accordance with Regulation 246 of the SEBI (ICDR) Regulations, the BRLM shall ensure that the Issuer shall file a copy of the Red Herring Prospectus/ Prospectus with SEBI along with a due diligence certificate including additional confirmations as required to SEBI at the time of filing the Red Herring Prospectus/ Prospectus with the Registrar of Companies.
- d) In accordance with Regulation 261 of the SEBI (ICDR) Regulations, the BRLM will ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of equity shares offered in this Issue. For further details of market making arrangement, please refer to the section titled “*General Information*”, “*Details of the Market Making Arrangements for this Issue*” on page 50 of this Draft Red Herring Prospectus.
- e) In accordance with Regulation 228 (a) of the SEBI (ICDR) Regulations, Neither the issuer, nor any of its promoters, promoter group or directors are debarred from accessing the capital market by the Board.
- f) In accordance with Regulation 228 (b) of the SEBI (ICDR) Regulations, none of the promoters or directors of the issuer is a promoter or director of any other company which is debarred from accessing the capital market by the Board.
- g) In accordance with Regulation 228 (c) of the SEBI (ICDR) Regulations, Neither the issuer nor any of its promoters or directors is a wilful defaulter or fraudulent borrower.
- h) In accordance with Regulation 228 (d) of the SEBI (ICDR) Regulations, None of the Issuer’s promoters or directors is a fugitive economic offender.

- i) In accordance with Regulation 230 (1) (a) of the SEBI (ICDR) Regulations, Application is being made to NSE Limited and NSE Limited is the Designated Stock Exchange.
- j) In accordance with Regulation 230 (1) (b) of the SEBI (ICDR) Regulations, the Company has entered into agreement with depositories for dematerialization of specified securities already issued and proposed to be issued.
- k) In accordance with Regulation 230 (1) (c) of the SEBI (ICDR) Regulations, all the present Equity share Capital fully Paid Up.
- l) In accordance with Regulation 230 (1) (d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters are already in dematerialized form.

#### **NSE ELIGIBILITY NORMS:**

1. **The Issuer should be a Company incorporated under the Companies Act, 2013/1956.**

Our Company has been incorporated under the Companies Act, 1956 on April 02, 2008.

2. **The post issue paid up capital of the company (face value) shall not be more than ₹ 25 crores.**

The post issue paid up capital of the Company (face value) will not be more than Rs. 25 Crores.

3. **Track Record:**

1. **The Company should have a track record of at least 3 (three) years.**

Our Company was incorporated on 02/04/2008 under the provisions of Companies Act, 1956, therefore we are in compliance of the track record.

#### **On the basis of restated financial statements:**

**(Amount in thousands)**

Particulars	December 31, 2023	2022-2023	2021-22	2020-21
Net Profit as per Restated Financial Statement	39,952.71	11,258.71	(4,512.46)	2,374.62

2. The Company should have operating profit (earnings before interest, depreciation and tax) from operations for at least 2 financial years preceding the application and that the Company has track record of 3 years & the net-worth of the Company should be positive.

**(Amount in thousands)**

Particulars	December 31, 2023	2022-2023	2021-22	2020-21
Operating profit (earnings before interest, depreciation and tax)	60,744.40	20,458.27	11,497.16	7,745.33
Net-worth	1,36,319.04	96,366.33	85,107.62	89,620.08

#### **Other Requirements**

- The company shall mandatorily facilitate trading in demat securities and will entered into an agreement with both the depositories. Also, the Equity Shares allotted through this Issue will be in dematerialized mode.
- Our Company has a live and operational website: [www.aesthetik.in](http://www.aesthetik.in)
- Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).

- There is no winding up petition against our Company that has been accepted by a court.
- There has been no change in the promoter/s of the Company in the preceding one year from date of filing application to NSE for listing on SME segment.
- There has been no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against 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, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the NSE Emerge.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS OFFER 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 NARNOLIA FINANCIAL SERVICES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, NARNOLIA FINANCIAL SERVICES LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, NARNOLIA FINANCIAL SERVICES LIMITED, SHALL FURNISH TO SEBI A DUE DILIGENCE CERTIFICATE DATED [●] IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.**

**THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.**

#### **DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER**

Our Company, its Directors and the BRLM 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 instance of our Company and anyone placing reliance on any other source of information, including our website [www.aesthetik.in](http://www.aesthetik.in) & [www.narnolia.com](http://www.narnolia.com) would be doing so at his or her own risk.

## **Caution**

The BRLM accepts no responsibility, save to the limited extent as provided in the Agreement for Issue management, the Underwriting Agreement and the Market Making Agreement. Our Company, our Directors and the BRLM shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centers, *etc.* The BRLM and its associates and affiliates may engage in transactions with and perform services for, our Company and their respective associates in the ordinary course of business & have engaged and may in future engage in the provision of financial services for which they have received, and may in future receive, compensation.

**Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company and the BRLM and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.**

## **Disclaimer in Respect of Jurisdiction**

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakh, pension funds with minimum corpus of Rs.2,500 Lakh and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform him or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in West Bengal 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 the Draft Red Herring Prospectus had been filed with NSE Emerge for its observations and NSE Emerge gave its observations on the same. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and in compliance with applicable laws, legislations and Draft Red Herring Prospectus in each jurisdiction, including India.

#### **Disclaimer Clause of the Emerge Platform of NSE**

NSE Limited (NSE) has given vide its letter dated [●] permission to this Company to use its name in this offer document as one of the stock exchange on which this company's securities are proposed to be listed on the Emerge Platform. NSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. NSE Limited does not in any manner:-

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed on completion of Initial Public Offer or will continue to be listed on NSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoter, its management or any scheme or project of this Company;
- iv. warrant, certify or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the Company and investors are informed to take the decision to invest in the equity shares of the Company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the Company is determined by the Company in consultation with the Merchant Banker (s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by NSE. Every person who desires to apply for or otherwise acquire any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against NSE, whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.
- v. NSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.
- vi. The Company has chosen the Emerge platform on its own initiative and at its own risk, and is responsible for complying with all local laws, rules, regulations, and other statutory or regulatory requirements stipulated by NSE / other regulatory authority. Any use of the Emerge platform and the related services are subject to Indian Laws and Courts exclusively situated in Mumbai.

#### **DISCLAIMER CLAUSE UNDER RULE 144A OF U.S. SECURITIES ACT.**

The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (U.S. Securities Act) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S Persons (as defined in Regulation S), except pursuant

to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER

For details regarding the price information and the track record of the past Issues handled by the BRLM to the Issue as specified in Circular reference no. CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by the SEBI, please refer to Annexure A to the Draft Red Herring Prospectus and the website of the BRLM at [www.narnolia.com](http://www.narnolia.com).

### PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER

#### ANNEXURE-A

#### Disclosure of Price Information of Past Issues Handled by Merchant Banker

**TABLE 1**

S. No.	Issuer Name	Issue Size (Rs. in Cr.)	Issue Price (Rs.)	Listing Date	Operating Price on Listing Date	+/-% change in closing price, [+/-% change in closing benchmark]-30th calendar days from listing	+/-% change in closing price, [+/-% change in closing benchmark]-90th calendar days from listing	+/-% change in closing price, [+/-% change in closing benchmark]-180th calendar days from listing
<b>Initial Public Offering - Main Board</b>								
N.A.								
<b>Initial Public Offering – SME Exchange</b>								
1.	Drone Destination Limited	44.20	65	21 July 2023	102.10	21.99% (1.78%)	22.23% (0.61) %	50.54% (8.47%)
2.	Yudziz Solutions Limited	44.84	165	17 August 2023	181.40	(3.72%) 4.48%	(17.56) % 1.81%	(17.70%) (11.12%)
3.	Cellecor Gadgets Limited	50.77	92	28 September 2023	96.00	120.81% (2.44) %	199.38% 10.92%	112.47% (11.28%)
4.	Inspire Films Limited	21.23	59	05 October 2023	67.85	(4.50) % (1.61) %	(7.74%) 10.09%	(54.02%) (12.95%)
5.	Womancart Limited	9.56	86	27 October 2023	122.85	37.00% 3.92%	10.70% 12.10%	(1.51%) (14.98%)
6.	Supreme Power Equipments Limited	46.67	65	29 December 2023	102.90	72.55% (1.74%)	12.78% 2.74%	N.A.
7.	Akanksha Power and Infrastructure Limited	27.49	55	03 January 2024	65.10	84.56% 1.56%	22.89% 4.35%	N.A.
8.	Addictive Learning Technology Limited	6016	140	30 January 2024	294.50	(1.94%) 1.00%	0.14% 5.03%	N.A.
9.	Radiowalla Network Limited	14.25	76	5 April 2024	126.15	N.A.	N.A.	N.A.

**TABLE 2**  
**Summary Statement of Disclosure**

FY	Total no. of IPOs	Total Amount of Funds raised (Rs. Cr.)	No. of IPOs trading at discount-30th calendar days from listing			No. of IPOs trading at premium-30th calendar days from listing			No. of IPOs trading at discount-180th calendar days from listing			No. of IPOs trading at premium-180th calendar days from listing		
			Over 50%	Betw een 25-50%	Less than 25%	Over 50%	Betw een 25-50%	Less than 25%	Over 50%	Betw een 25-50%	Less than 25%	Over 50%	Betw een 25-50%	Less than 25%
2023-24	8	304.92	-	-	3	3	1	1	1	-	2	2	-	-
2024-25	1		N.A.											

Note: Listing date is considered for calculation of total number of IPO's in the respective financial year.

## LISTING

Application will be made to the NSE Limited for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE Limited is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The Emerge Platform of NSE Limited has given its in-principle approval for using its name in our Offer documents vide its letter no. [●] dated [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the Emerge Platform of NSE Limited, our Company will forthwith repay, without interest, all moneys received from the Applicant in pursuance of the Draft Red Herring Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Offer Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE Limited mentioned above are taken within six Working Days from the Offer Closing Date.

## Impersonation

Attention of the Applicants is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who:

- makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
  - 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
  - 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 Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (U.S. Securities Act) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S Persons (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.*

*The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.*

## **CONSENTS**

Consents in writing of:(a) the Directors, Statutory Auditor & Peer Reviewed Auditor, the Company Secretary & Compliance Officer, Chief Financial Officer, Banker to the Company and (b) BRLM, Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue and Refund Banker to the Issue, Legal Advisor to the Issue to act in their respective capacities have been/or will be obtained (before filing Red Herring prospectus to ROC) and will be filed along with a copy of the Red Herring Prospectus with the RoC, as required under Section 26 of the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus and such consent and report is not withdrawn up to the time of delivery of this Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus with NSE.

## **EXPERT OPINION**

Except the report of the Peer Review Auditor on (a) the restated financial statements; (b) statement of tax benefits, Audit reports by Peer Review Auditors for period ended on 31 December 2023, 31<sup>st</sup> March 2023, 31<sup>st</sup> March 2022 and 2021, our Company has not obtained any other expert opinion. All the intermediaries including Merchant Banker has relied upon the appropriacy and authenticity of the same.

## **PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE INCORPORATION**

We have not made any previous rights and/or public issues since incorporation and are an Unlisted Issuer in terms of the SEBI (ICDR) Regulations and this Issue is an Initial Public Offering in terms of the SEBI (ICDR) Regulations.

## **PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH**

Other than as detailed under chapter titled “Capital Structure” beginning on page 58 of the Draft Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

## **COMMISSION AND BROKERAGE ON PREVIOUS ISSUES**

Since this is the IPO of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

## **PREVIOUS CAPITAL ISSUE DURING THEs PREVIOUS THREE YEARS BY LISTED SUBSIDIARIES, GROUP COMPANIES AND ASSOCIATES OF OUR COMPANY**

None of our Group Companies and Associates are listed and have undertaken any public or rights issue in the three (3) years preceding the date of this Draft Red Herring Prospectus.

## **PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/ RIGHTS ISSUE OF THE LISTED SUBSIDIARIES OF OUR COMPANY**

The Company has no subsidiary company as on the date of Draft Red Herring Prospectus.

## **OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY**

As on the date of the Draft Red Herring Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

## **OPTION TO SUBSCRIBE**

Equity Shares being offered through this Draft Red Herring Prospectus can be applied for in dematerialized form only.

## **STOCK MARKET DATA FOR OUR EQUITY SHARES**

Our Company is an Unlisted Issuer in terms of the SEBI (ICDR) Regulations, and this Offer is an Initial Public Offering in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

## **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Memorandum of Understanding between the Registrar and us will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Offer may be addressed to the Registrar with a copy to the Company Secretary and Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection center where the application was submitted. All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection center of the SCSB where the Bid-cum-Application Form was submitted by the ASBA Applicant.

## **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company or the Registrar to the Offer or the SCSB in case of ASBA Applicant shall redress routine investor grievances. We estimate that the average time required by us or the Registrar to this Offer for the redressal of routine investor grievances will be 12 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Ms. Priyanka Gupta as the Company Secretary and Compliance Officer and may be contacted at the following address:

**AESTHETIK ENGINEERS LIMITED**

1858/1, 5th Floor, Unit 503-505, Acropolis Mall,  
Rajdanga Main Road, Kasba, Kolkata, West Bengal-700107, India  
Tel.: +91 9836000052; Fax: N.A.  
E-mail: [cs@aesthetik.in](mailto:cs@aesthetik.in)  
Website: [www.aesthetik.in](http://www.aesthetik.in);

Investors can contact the Company Secretary and Compliance Officer or the Registrar in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, *etc.*

**EXEMPTION FROM COMPLYING ANY PROVISION OF SECURITIES LAW**

As on the date of this prospectus, our company has not obtained exemption from complying any provision of Securities law.

*This space is left blank intentionally.*

## **SECTION VIII – ISSUE INFORMATION**

### **TERMS OF THE ISSUE**

The Equity Shares being issued pursuant to this issue shall be subject to the provision of the Companies Act, SEBI (ICDR) Regulations, 2018, SCRA, SCRR, Memorandum and Articles, the terms of this Draft Red- Herring Prospectus, Red Herring Prospectus, Prospectus, Abridged Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note (CAN) 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 laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, NSE, ROC, RBI and / or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in accordance with the 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) facility for making payment. Further, in terms of SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, and as modified through its circular SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, in relation to clarifications on streamlining the process of public issue of equity shares and convertibles it has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. Currently, for application by RIIs through Designated Intermediaries, the existing process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds is discontinued and RIIs submitting their Application Forms through Designated Intermediaries (other than SCSBs) can only use the UPI mechanism with existing timeline of T+3 days. Further SEBI through its circular no SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, has decided to continue with the Phase II of the UPI ASBA till further notice.

The SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023, has introduced reduction of timeline for listing of shares in public issue from existing T+6 days to T+3 days. This circular shall be applicable on voluntary basis for public issues opening on or after September 1, 2023, and Mandatory for public issues opening on or after December 1, 2023.

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.

#### **The Issue**

The Issue consists of a Fresh Issue by our Company. Expenses for the issue shall be borne by our Company in the manner specified in “Objects of the Issue” on page 77 of this Draft Red Herring Prospectus.

#### **Ranking of Equity Shares**

The Equity Shares being Offered/Alloted in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum & Articles of Association, SEBI ICDR Regulations and shall rank pari-passu with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this issue will be entitled to dividends, Voting Power and other corporate benefits, if any, declared by our Company after the date of allotment in accordance with Companies Act, 2013 and the Articles of Association of the Company.

### **Authority for the Issue**

This Issue has been authorized by a resolution of the Board passed at their meeting held on April 12, 2024 subject to the approval of shareholders through a special resolution to be passed pursuant to section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the EGM of the Company held on April 16, 2024.

### **Mode of Payment of Dividend**

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and recommended by the Board of Directors at their discretion and approved by the shareholders 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, 2013. Dividends, if any, declared by our Company after the date of Allotment will be payable to the transferee who have been Allotted Equity Shares in the Offer, for the entire year, in accordance with applicable laws. For further details, please refer to the chapter titled Dividend Policy beginning on pages 195 of this Draft Red Herring Prospectus.

### **Face Value and Issue Price**

The face value of each Equity Share is Rs. 10/- and the Offer Price at the lower end of the Price Band is Rs. [●] /- per Equity Share and at the higher end of the Price Band is Rs. [●]/- per Equity Share. The Anchor Investor Offer Price is Rs. [●]/- per Equity Share.

The Price Band and the Bid Lot will be decided by our Company, in consultation with the BRLM, and published by our Company in [●] edition of [●] (a widely circulated English national daily newspaper) and [●] edition of [●] (a widely circulated Hindi national daily newspaper and [●] edition of [●] being the regional language of West Bengal, where our Registered Office is located) at least two Working Days prior to the Bid/Offer Opening Date, and shall be made available to the Stock Exchange for the purpose of uploading the same on their website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid-cum-Application Forms available at the website of the Stock Exchange. The Offer Price shall be determined by our Company, in consultation with the BRLM, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of the Book Building Process.

At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

### **Compliance with the disclosure and accounting norms**

Our Company shall comply with all the applicable disclosure and accounting norms as specified by SEBI from time to time.

### **Rights of the Equity Shareholder**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the

Companies Act;

- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws and regulations; and the Articles of Association of our Company; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum and Articles of Association of the Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see “Main Provisions of Articles of Association” on page 331 of this Draft Red Herring Prospectus.

### **Allotment only in Dematerialized form**

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be Allotted only in dematerialized form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form. In this context, two agreements have been signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Draft Red Herring Prospectus:

- Tripartite agreement dated February 27, 2024 among CDSL, our Company and the Registrar to the Issue; and
- Tripartite agreement dated March 15, 2024 among NSDL, our Company and the Registrar to the Issue.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of a body corporate shall 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. The trading of the Equity Shares will happen in the minimum contract size of [●] Equity Shares and the same may be modified by the NSE Limited 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 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 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 EMERGE Platform of NSE from time to time by giving prior notice to investors at large. For further details, see “Issue Procedure” on page 288 of this Draft Red Herring Prospectus.

### **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 four (4) working days of closure of Issue.

### **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.

### **Jurisdiction**

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in India.

The Equity Share have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in off-shore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

### **Nomination Facility to the Investor**

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, 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 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/alienation of Equity Share(s) by the person nominating. A buyer will be titled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon production of such evidence, as may be required by the Board, elect either:

1. to register himself or herself as the holder of the equity shares; or
2. 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 ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the equity shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Applicants require changing of their nomination, they are requested to inform their respective depository participant.

### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for the lock-in of the pre-Issue capital of our Company, Promoters' minimum contribution as provided in "Capital Structure" on page 58 of this Draft Red Herring Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer "Main Provisions of Articles of Association" on page 331 of this Draft Red Herring Prospectus.

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 herein above. Our Company and the BRLM are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

### **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, in terms of Regulation 261(5) of the SEBI ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the EMERGE platform of NSE.

### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company. Application by eligible NRIs, FPIs Registered with SEBI, VCFs, AIFs registered with SEBI and QFIs. It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

### **Withdrawal of the Issue**

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) 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 BRLM through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA applicant within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, 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 issue/issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange.

## Minimum Subscription

This Offer is not restricted to any minimum subscription level. This Offer is 100% underwritten. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriter within sixty days from the date of closure of the Offer, the Issuer shall forthwith refund the entire subscription amount received within the time limit as prescribed under the SEBI (ICDR) Regulations and Companies Act, 2013.

In terms of Regulation 272(2) of SEBI ICDR Regulations, in case the issuer fails to obtain listing or trading permission from the stock exchanges where the specified securities were to be listed, it shall refund through verifiable means the entire monies received within four (4) days of receipt of intimation from stock exchanges rejecting the application for listing of specified securities, and if any such money is not repaid within four (4) 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.

In terms of Regulation 260 of the SEBI ICDR Regulations, 2018, the Issue is 100% underwritten. For details of underwriting arrangement, kindly refer the chapter titled “General Information” on page 50 of this Draft Red Herring Prospectus.

Further, in accordance with Regulation 267 of the SEBI ICDR Regulations, 2018, the minimum application size in terms of number of specified securities shall not be less than Rupees One Lakh per application.

Further, in accordance with Regulation 268 of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).

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.

## Period of Subscription List of the Public Issue

Event	Indicative Date
Offer Opening Date	[●]
Offer Closing Date	[●]
Finalization of Basis of Allotment with the Designated Stock Exchange	On or before [●]
Initiation of Allotment/ Refunds/ Unblocking of Funds from ASBA Account or UPI ID linked bank account	On or before [●]
Credit of Equity Shares to Demat Accounts of Allottees	On or before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or before [●]

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

The above timetable is indicative and does not constitute any obligation on our Company and 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 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue by our

Company or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

\*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/Offer Closing Date for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated in accordance with applicable law by the intermediary responsible for causing such delay in unblocking, for which period shall start from the day following the receipt of a complaint from the Bidder. The BRLM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 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 shall be deemed to be incorporated in the deemed agreement of the Bank with the SCSBs to the extent applicable, in case of delays in resolving investor grievances in relation to blocking/unblocking of funds, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of our Company with the SCSBs, to the extent applicable.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI circular no. dated April 20, 2022 and SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

Bids and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Bidding Centers mentioned in the Bid cum Application Form.

Standardization of cut-off time for uploading of bids on the Bid/Issue closing date:

- i. A standard cut-off time of 3.00 p.m. for acceptance of bids.
- ii. A standard cut-off time of 4.00 p.m. for uploading of bids received from other than retail individual applicants.
- iii. A standard cut-off time of 5.00 p.m. for uploading of bids received from only retail individual applicants, which may be extended up to such time as deemed fit by National Stock Exchange of India Limited after taking into account the total number of bids received up to the closure of timings and reported by BRLM to National Stock Exchange of India Limited within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment. Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

### **Migration to Main Board**

In accordance with the National Stock Exchange of India Limited Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the Emerge Platform of the NSE for a minimum period of 2 (Two) years from the date of listing and only after that it can migrate to the Main Board of National Stock Exchange of India Limited as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations.

Our company may migrate to the main board of NSE Limited at a later date subject to the following:

- a. *If the Paid-up Capital of our Company is likely to increase above Rs. 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 Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in- principal approval from the main board), our Company shall apply to NSE Limited for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- b. *If the paid-up Capital of our company is more than Rs. 10 Crores but below Rs. 25Crores, our Company 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 Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*

Further, as per the NSE Circular no. 01/2023 dated April 20, 2023, Following are the Eligibility criteria for Migration from NSE SME Platform to NSE Main Board:

1. Our company should have been listed on SME platform of the Exchange for at least 3 years.
2. Our company should have positive cash accruals (Earnings before Interest, Depreciation and Tax) from operations for each of the 3 financial years preceding the migration application and has positive PAT in the immediate Financial Year of making the migration application to Exchange.
3. The total number of public shareholders of our company on the last day of the preceding quarter from date of application should be at least 1000 (One Thousand).
4. The Net worth of our company should be at least 50 crores.

### **Market Making**

The shares issued and transferred through this Offer are proposed to be listed on the Emerge Platform of NSE Limited with compulsory market making through the registered Market Maker of the Emerge Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the Emerge Platform of NSE Limited. For further details of the market making arrangement please refer to chapter titled General Information beginning on page 50 of this Draft Red Herring Prospectus.

### **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 StockExchange. 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.

## ISSUE PROCEDURE

*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 the BRLM would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that their applications are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in the Draft Red Herring Prospectus.*

*All Applicants shall review 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, suitably modified from time to time, if any, and the UPI Circulars (“General Information Document”), highlighting the key rules, 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 SEBI Regulations. The General Information Document will also be available on the websites of the Stock Exchange and the BRLM, before opening of the Issue. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.*

*Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) Allocation of shares; (iii) Payment Instructions for ASBA Applicants; (iv) Issuance of CAN and Allotment in the Offer; (v) General instructions (limited to instructions for completing the Application Form); (vi) Submission of Application Form; (vii) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (viii) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (vi) mode of making refunds; and (vii) interest in case of delay in Allotment or refund.*

*The SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. From January 01, 2019, the UPI Mechanism for RIBs 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 six 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.*

Furthermore, SEBI vide press release bearing number 12/2023 has approved the proposal for reducing the time period for listing of shares in public issue from existing 6 working days to 3 working days from the date of the closure of the issue. The revised timeline of T+3 days shall be made applicable in two phases i.e. voluntary for all public issues opening on or after September 1, 2023, and mandatory on or after December 1, 2023. Further, SEBI has vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 reduced the time taken for listing of specified securities after the closure of a public issue to three Working Days. Accordingly, the Issue will be made under UPI Phase III on a mandatory basis, subject to any circulars, clarification or notification issued by the SEBI from time to time.

### **REDUCTION OF TIMELINE FOR LISTING OF SHARES IN PUBLIC ISSUE FROM EXISTING T+6 DAYS TO T+3 DAYS**

The SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023, has introduced reduction of timeline for listing of shares in public issue from existing t+6 days to t+3 days. This circular shall be applicable on voluntary basis for public issues opening on or after September 1, 2023 and Mandatory for public issues opening on or after December 1, 2023.

Consequent to extensive consultation with the market participants and considering the public comments received pursuant to consultation paper on the aforesaid subject matter, it has been decided to reduce the time taken for listing of specified securities after the closure of public issue to 3 working days (T+3 days) as against the requirement of 6 working days (T+6 days); 'T' being issue closing date.

The T+3 timeline for listing shall be appropriately disclosed in the Offer Documents of public issues.

Notwithstanding anything contained in Schedule VI of the ICDR Regulations, the provisions of this circular shall be applicable:

- On voluntary basis for public issues opening on or after September 1, 2023, and
- Mandatory for public issues opening on or after December 1, 2023

The timelines prescribed for public issues as mentioned in SEBI circulars dated November 1, 2018, June 28, 2019, November 8, 2019, March 30, 2020, March 16, 2021, June 2, 2021, and April 20, 2022, shall stand modified to the extent stated in this Circular.

SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 effective to public issues opening on or after from May 01, 2021. However, said circular has been modified pursuant to SEBI Circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 in which certain applicable procedure w.r.t. SMS Alerts, Web portal to CUG etc. shall be applicable to Public Issue opening on or after January 1, 2022 and October 1, 2021 respectively and the provisions of this circular, as amended, are deemed to form part of this Draft Red Herring Prospectus. Additionally, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 has reduced the time period for refund of application monies from 15 days to four days. Furthermore, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, all UPI Bidders in initial public offerings (opening on or after May 01, 2022) whose application sizes are up to Rs. 5,00,000/- shall use the UPI Mechanism.

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 Stock Brokers, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that have been notified by NSE to act as intermediaries for submitting Application Forms are provided on [www.nseindia.com](http://www.nseindia.com) For details on their designated branches for submitting Application Forms, please see the above mentioned website of NSE.

ASBA Applicants are required to submit ASBA Applications to the selected branches / offices of the RTAs, DPs, Designated Bank Branches of SCSBs. 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 <http://www.sebi.gov.in>. For details on

*designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link. The list of Stock Brokers, Depository Participants (“DP”), Registrar to an Issue and Share Transfer Agent (“RTA”) that have been notified by NSE to act as intermediaries for submitting Application Forms are provided on <http://www.nseindia.com>. For details on their designated branches for submitting Application Forms, please refer the above mentioned NSE website.*

*Our Company, the Promoter and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in the Draft Red Herring Prospectus.*

## **BOOK BUILT PROCEDURE**

The Issue is being made in terms of Rule 19(2)(b) of the SCRR, through the Book Building Process in accordance with Regulation 253 of the SEBI ICDR Regulations wherein not more than 50.00% of the Issue shall be allocated on a proportionate basis to QIBs, provided that our Company may, in consultation with the BRLM, allocate up to 60.00% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allotment in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5.00% of the QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and spill-over from the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15.00% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35.00% of the Offer 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 offer 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 BRLM and the Designated Stock Exchange subject to receipt of valid Bids received at or above the Issue Price. Under-subscription, if any, in the QIB Portion, would not be allowed to be met with spillover from any other category or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchange.

Investors should note that according to Section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialized form. It is mandatory to furnish the details of Applicant’s depository account along with Application Form. The Application Forms which do not have the details of the Applicants’ depository account, including the DP ID Numbers and the beneficiary account number shall be treated as incomplete and rejected. Application Forms which do not have the details of the Applicants’ PAN, (other than Applications made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated as incomplete and are liable to be rejected. Applicants will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges. However, investors may get the specified securities rematerialized subsequent to allotment.

## **AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS**

The Memorandum containing the salient features of the Prospectus together with the Application Forms and copies of the Draft Red Herring Prospectus/ Red Herring Prospectus/ Abridged Prospectus/ Prospectus may be obtained from the Registered Office of our Company, from the Registered Office of the BRLM to the Issue, Registrar to the Issue as mentioned in the Application form. The application forms may also be downloaded

from the website of NSE i.e. www.nseindia.com. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Draft Red Herring Prospectus. All the applicants shall have to apply only through the ASBA process. ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking of funds that are available in the bank account specified in the Applicants shall only use the specified Application Form for the purpose of making an Application in terms of the Draft Red Herring Prospectus. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

## **PHASED IMPLEMENTATION OF UNIFIED PAYMENTS INTERFACE**

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIIs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circulars proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

- a. Phase I: This phase was applicable from January 01, 2019 and lasted till June 30, 2019. Under this phase, a Retail Individual applicant, besides the modes of Bidding available prior to the UPI Circulars, also had the option to submit the Bid cum Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.
- b. Phase II: This phase commenced on completion of Phase I i.e. with effect from July 1, 2019 and was to be continued for a period of three months or launch of five main board public issues, whichever is later. Further, as per the SEBI circular SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, the UPI Phase II has been extended until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount be continued till further notice. Under this phase, submission of the Application Form by a Retail Individual Applicant through intermediaries to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue to be six Working Days during this phase.
- c. 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 the facility of making applications in public issues are required to provide a facility to make applications using the UPI Mechanism. Further, in accordance with the UPI Circulars, our Company has appointed [●] as the 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 Investors into the UPI mechanism.

Pursuant to the UPI Circular, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is

finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors' complaints in this regard, the relevant SCSB as well as the post – Offer BRLM will be required to compensate the concerned investor.

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 Rs. 5,00,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than Rs. 200,000 and up to Rs. 5,00,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

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/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

For further details, refer to the “General Information Document” available on the websites of the Stock Exchange and the BRLM.

### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centres, and our Registered and Corporate Office. An electronic copy of the Bid cum Application Form will also be available for download on the websites of NSE ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the office of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through the ASBA process. The RIS Bidding in the Retail Portion can additionally Bid through the UPI Mechanism.

A Retail Individual Investor making applications using the UPI Mechanism shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application in the Issue. The SCSBs, upon receipt of the Application Form will upload the Bid details along with the UPI ID in the bidding platform of the Stock Exchange. Applications made by the Retail Individual Investors using third party bank accounts or using UPI IDs linked to the bank accounts of any third parties are liable for rejection. The Bankers to the Issue shall provide the investors' UPI linked bank account details to the RTA for the purpose of reconciliation. Post uploading of the Bid details on the bidding platform, the Stock Exchanges will validate the PAN and demat account details of Retail Individual Investors with the Depositories.

ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA applicants.

ASBA Bidders (other than RIBs using UPI Mechanism) must provide bank account details and authorization to block funds in their respective ASBA Accounts in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. RIBs Bidding in the Retail Portion using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-

Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorizing an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. ASBA Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable at the time of submitting the Bid.

In accordance with the SEBI circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Draft Red Herring Prospectus.

The prescribed colour of the Application Form for various categories is as follows:

Category	Colour of Application Form
Resident Indians, including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	[●]
Non-Residents including Eligible NRIs, FVCIs, FPIs, registered multilateral and bilateral development financial institutions applying on a repatriation basis	[●]
Anchor Investors	[●]

*\*Excluding electronic Bid cum Application Form*

Note:

- ◆ Details of depository account are mandatory and applications without depository account shall be treated as incomplete and rejected. Investors will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities re-materialised subsequent to allotment.
- ◆ The shares of the Company, on allotment, shall be traded on stock exchanges in demat mode only.
- ◆ Single bid from any investor shall not exceed the investment limit/maximum number of specified securities that can be held by such investor under the relevant regulations/statutory guidelines.
- ◆ The correct procedure for applications by Hindu Undivided Families and applications by Hindu Undivided Families would be treated as on par with applications by individuals;

## **ELECTRONIC REGISTRATION OF BIDS**

- b) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchange. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.
- c) On the Bid/Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchange and as disclosed in the Red Herring Prospectus.
- d) Only Bids that are uploaded on the Stock Exchange Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

## SUBMISSION AND ACCEPTANCE OF APPLICATION FORMS

An Investor, intending to subscribe to this Issue, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – Designated Intermediaries’)

Sr. No.	Designated Intermediaries
1.	An SCSB, with whom the bank account to be blocked, is maintained.
2.	A syndicate member (or sub-syndicate member).
3.	A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (‘broker’).
4.	A depository participant (‘P’) (whose name is mentioned on the website of the stock exchange as eligible for this activity).
5.	A registrar to an Offer 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(s) 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 application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.
<b>For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment:</b>	After accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange. 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 Red Herring Prospectus, without prior or subsequent notice of such changes to the Bidders.

## **AVAILABILITY OF RED HERRING PROSPECTUS/ 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 NSE ([www.nseindia.com](http://www.nseindia.com)) at least one day prior to the Bid/Offer 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 Offer 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:

- a) Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Kartal. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Offer;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;

- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of Rs. 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Offer, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications shall not be made by:

- a. Minors (except through their Guardians)
- b. Partnership firms or their nominations
- c. Foreign Nationals (except NRIs)
- d. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Offer. 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 Offer 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 Rs. 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed Rs. 2,00,000.

### **2. For Other than Retail Individual Bidders (Non-Institutional Bidders and QIBs)**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of [●] Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

**Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.**

**The above information is given for the benefit of the Bidders. The Company and the BRLMs 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 Offer and the same shall be advertised in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●], all editions of [●] newspaper being Regional language where the registered office of the company is situated, each with wide circulation at least two Working Days prior to the Bid / Offer Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Offer Period.

a) The Bid / Offer Period shall be for a minimum of three (3) Working Days and shall not exceed ten (10) Working Days. The Bid/ Offer Period may be extended, if required, by an additional three Working Days, subject to the total Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Offer Period, if applicable, will be published in all editions of the English national newspaper [●], all editions of Hindi national newspaper [●], all editions of [●] newspaper being Regional language where the registered office of the company is situated, each with wide circulation and also by indicating the change on the

websites of the Book Running Lead Manager.

b) During the Bid/ Offer 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/ Offer 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.

c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled “Bids at Different Price Levels and Revision of Bids” below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Offer Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Offer Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.

d) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum Application Form have been submitted to a 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 Offer. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph “Buildup of the Book and Revision of Bids”.

e) Except in relation to the Bids received from the Anchor Investors, the 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.

f) The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Offer Period i.e. one working day prior to the Bid/ Offer Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.

g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in “Escrow Mechanism - Terms of payment and payment into the Escrow Accounts” in the section “Issue Procedure” beginning on page 288 of this Draft Red Herring Prospectus.

h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form prior to uploading such Bids with the Stock Exchange.

i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.

j) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to

the ASBA Bidder on request.

k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Offer 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 Offer 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 Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

#### **Bids At Different Price Levels And Revision Of Bids**

1. 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/ Offer 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 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.
2. Our Company, in consultation with the BRLM, will finalize the Offer Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
3. 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.
4. 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.
5. The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other Bidders

#### **PARTICIPATION BY ASSOCIATES/AFFILIATES OF BRLM AND THE SYNDICATE MEMBERS**

The BRLM and the syndicate member, if any shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLM and the syndicate members may subscribe to 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. All categories of Applicants, including associates and affiliates of the BRLM and syndicate member, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

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 Offer under the Anchor Investor Portion.

## **OPTION TO SUBSCRIBE IN THE ISSUE**

- a) As per Section 29(1) of the Companies Act 2013, Investors will get the allotment of Equity Shares in dematerialization form only.
- b) The Equity Shares, on allotment, shall be traded on Stock Exchange in demat segment only.
- c) In a single Application Form any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

### **Information for the Bidders**

1. Our Company and the Book Running Lead Manager shall declare the Issue Opening Date and Issue Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
3. Copies of the Bid Cum Application Form along with Abridged Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Issue, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Bidders whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Bidders has to apply only through UPI Channel, they have to provide the UPI ID and validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.

8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating in 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 persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

#### **BID BY MUTUAL FUNDS**

With respect to Bid by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company, in consultation with BRLM reserves the right to reject any application 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.

As per the current regulations, the following restrictions are applicable for investments by mutual funds.

No mutual fund scheme shall invest more than 10.00% of its net asset value in the 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 funds/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.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

#### **BIDS BY HUFs**

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the

Application is being made in the name of the HUF in the Bid cum Application Form as follows: “Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.

### **BIDS BY ELIGIBLE NRI**

Eligible NRIs may obtain copies of Bid cum Application Form from the members of the Syndicate, the sub-Syndicate, if applicable, the SCSBs, the Registered Brokers, RTAs and CDPs. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External (“NRE”) accounts, or Foreign Currency Non-Resident (“FCNR”) Accounts, and eligible NRI Bidders bidding on a non- repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary (“NRO”) accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Bids by Eligible NRIs and Category III FPIs for a Bid Amount of less than Rs. 2,00,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding Rs. 2,00,000 would be considered under the Non-Institutional Category for allocation in the Offer.

In case of Eligible NRIs bidding under the Retail Category through the UPI mechanism, depending on the nature of the investment whether repatriable or non-repatriable, the Eligible NRI may mention the appropriate UPI ID in respect of the NRE account or the NRO account, in the Application Form.

Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated May 03, 2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 (thirty) days from the date of issue of shares of allotment to NRIs on repatriation basis. Allotment of Equity shares to non-residents Indians shall be subject to the prevailing Reserve Bank of India guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with an income thereon subject to permission of the RBI and subject to the Indian Tax Laws and Regulations and any other applicable laws. The company does not require approvals from FIPB or RBI for the issue of equity shares to eligible NRIs, FIIs, Foreign Venture Capital Investors registered with SEBI and multi-lateral and Bi-lateral development financial institutions.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in color). Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for non-Residents (blue in color). For details of restrictions on investment by NRIs, please refer to the chapter titled “Restrictions on Foreign Ownership of Indian Securities” beginning on page 325 of this Draft Red Herring Prospectus.

### **BIDS BY ELIGIBLE FIIs/FPIs**

In terms of the SEBI FPI Regulations, an FII who holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations.

An FII or sub-account may, subject to payment of conversion fees under the SEBI FPI Regulations participate in the Issue until the expiry of its registration with SEBI as an FII or sub-account, or if it has obtained a certificate of registration as an FPI, whichever is earlier. Accordingly, such FIIs can, subject to the payment of conversion fees under the SEBI FPI Regulations, participate in this Offer in accordance with Schedule 2 of the FEMA

Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In terms of the SEBI FPI Regulations, the purchase of Equity Shares and total holding by a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post-issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

Further, pursuant to the Master Directions on Foreign Investment in India issued by the RBI dated January 4, 2018 (updated as on March 8, 2019) the investments made by a SEBI registered FPI in a listed Indian company will be reclassified as FDI if the total shareholding of such FPI increases to more than 10% of the total paid-up equity share capital on a fully diluted basis or 10% or more of the paid up value of each series of debentures or preference shares or warrants.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio investor and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue, 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 that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client' norms. Further, pursuant to a Circular dated November 24, 2014 issued by the SEBI, FPIs are permitted to issue offshore derivative instruments only to subscribers that (i) meet the eligibility criteria set forth in Regulation 4 of the SEBI FPI Regulations; and (ii) do not have opaque structures, as defined under the SEBI FPI Regulations. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. Further, where an investor has investments as FPI and also holds positions as an overseas direct investment subscriber, investment restrictions under the SEBI FPI Regulations shall apply on the aggregate of FPI investments and overseas direct investment positions held in the underlying Indian company.

FPIs who wish to participate in the Offer are advised to use the Application Form for Non-Residents (blue in color). FPIs are required to apply through the ASBA process to participate in the Offer.

#### **BIDS BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND(AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS**

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended, (the "SEBI VCF Regulations") and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended, among other things prescribe the investment restrictions on VCFs and FVCIs

registered with SEBI. Further, the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 (the “SEBI AIF Regulations”) prescribe, amongst others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends, and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

#### **BIDS BY LIMITED LIABILITY PARTNERSHIPS**

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. Limited Liability Partnerships can participate in the issue only through the ASBA Process.

#### **BIDS BY INSURANCE COMPANIES**

In case of applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended (the IRDA Investment Regulations), are broadly set forth below:

1. Equity shares of a company: the least of 10% of the investee company’s subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
2. The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
3. The industry sector in which the investee company belong to not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be. Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time

The above limit of 10.00% shall stand substituted as 15.00% of outstanding equity shares (face value) for insurance companies with investment assets of Rs. 2,500,000 million or more and 12.00% of outstanding equity shares (face value) for insurers with investment assets of Rs. 500,000.00 million or more but less than Rs. 2,500,000.00 million.

Insurance companies participating in this Issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time

### **BIDS BY BANKING COMPANIES**

Applications by Banking Companies: In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason. The investment limit for banking companies in non-financial services Companies as per the Banking Regulation Act, 1949, and the Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee Company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Applications by SCSBs: SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 02, 2013. 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 PROVIDENT FUNDS/ PENSION FUNDS**

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

### **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.

1. Anchor Investor Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200.00 lakhs.
3. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
4. Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
5. Our Company in consultation with the 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:
  - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
  - where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and
  - where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs:(i)minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.
6. Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/Issue Opening Date, through intimation to the Stock Exchange.
7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
8. If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/ Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
9. At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
10. Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 90 days on fifty per cent of the shares allotted to the anchor investors from the date of allotment, and a lock-in of 30 days on the remaining fifty per cent of the shares allotted to the anchor investors from the date of allotment.
11. 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 byes.
12. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
13. Anchor Investors are not permitted to Bid in the Issue through the ASBA process.

## **BIDS UNDER POWER OF ATTORNEY**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- (a) With respect to applications by VCFs, FVCIs, FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- (b) With respect to applications by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- (c) With respect to applications made by provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company, the BRLM may deem fit.

Our Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of mailing of the Allotment Advice / CANs / letters notifying the unblocking of the bank accounts of ASBA applicants, the Demographic Details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use Demographic Details as given on the Application Form instead of those obtained from the Depositories.

The above information is given for the benefit of the Applicants. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

## **ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE OFFER:**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Offer shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Offer.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

### **Offer 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 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 Offer price of Rs. [●] 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 Offer or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Offer and the Registrar to the Offer 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 Offer shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Offer and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Offer or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

### **Payment into Escrow Account for Anchor Investors**

### **Electronic Registration of Applications**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
  - i. the applications accepted by them,
  - ii. the applications uploaded by them
  - iii. the applications accepted but not uploaded by them, or
  - iv. With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
  - i. The applications accepted by any Designated Intermediaries
  - ii. The applications uploaded by any Designated Intermediaries or
  - iii. The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will Issue an electronic facility for registering applications for the Issue. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate 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.*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into in the on-line system:
- Name of the Bidder;
  - IPO Name;
  - Bid Cum Application Form Number;
  - Investor Category;
  - PAN (of First Bidder, if more than one Bidder);
  - DP ID of the demat account of the Bidder;
  - Client Identification Number of the demat account of the Bidder;
  - Number of Equity Shares Applied for;
  - Bank Account details;
  - Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above- mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above- mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for

the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Bid/ Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Bid/ Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

### **Build of the book**

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Offer Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centres during the Bid/ Offer Period.

### **Withdrawal of Bids**

- i. RIIs can withdraw their Bids until Bid/ Offer Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Offer 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.
- ii. The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

### **Price Discovery and Allocation**

- a. Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalise the Offer Price and the Anchor Investor Offer Price.
- b. The SEBI ICDR Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer 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.
- c. Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any

other category or combination of categories at the discretion of the Issuer and the in consultation with the 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.

- d. In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under subscription applicable to the Issuer, Bidders may refer to the RHP.
- e. In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage. f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the 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 Offer; 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, Offer size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (₹)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Offer 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 Offer Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Offer Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

**Signing of Underwriting Agreement and Filing of Red Herring Prospectus/Prospectus with ROC**

- a) Our company has entered into an Underwriting Agreement dated [●].
- b) A copy of Red Herring Prospectus will be registered with the ROC and copy of Prospectus will be filing 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 and Regulation 264 of SEBI (ICDR) Regulations, 2018, the company shall, after filing the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation. In the pre-issue advertisement, we shall state the Bid/Issue Opening Date and the Bid/Issue Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI

ICDR. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013 and Regulation 264 of SEBI ICDR Regulations, shall be in the format prescribed in Part A of Schedule VI of the SEBI ICDR Regulations.

## **GENERAL INSTRUCTIONS**

### **Do's:**

- 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;
- Ensure that you have Bid within the Price Band;
- Read all the instructions carefully and complete the applicable Bid cum Application Form in prescribed format;
- Ensure that the details about the PAN, DP ID, Client ID, UPI ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialized form only;
- All Bidders should submit their Bids through the ASBA process only;
- Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
- 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;
- Bidders (other than RIIs bidding through the non-UPI Mechanism) should submit the Bid cum Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the CRTA at the Designated RTA Locations or CDP at the Designated CDP Locations. RIIs bidding through the non-UPI Mechanism should either submit the physical Application Form with the SCSBs or Designated Branches of SCSBs under Channel I (described in the UPI Circulars) or submit the Application Form online using the facility of 3-in 1 type accounts under Channel II (described in the UPI Circulars);
- Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than RIBs using the UPI Mechanism) in the Bid cum Application Form;
- RIBs using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Application Form;
- RIBs using UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the Bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019;
- RIBs bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the Offer;
- RIBs submitting an Application Form using the UPI Mechanism, should ensure that: (a) the bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid is listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
- RIBs submitting a Bid-cum Application Form to any Designated Intermediary (other than SCSBs) should ensure that only UPI ID is included in the Field Number 7: Payment Details in the Application Form;
- RIBs using the UPI Mechanism shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI;
- If the first applicant is not the account holder, ensure that the Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that the signature of the First Bidder in case of joint Bids, is included in the Application Forms

- QIBs and Non-Institutional Bidders should submit their Bids through the ASBA process only. Pursuant to SEBI circular dated November 01, 2018 and July 26, 2019, RII shall submit their bid by using UPI mechanism for payment;
- Ensure that the name(s) given in the Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the 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 you request for and receive a stamped acknowledgement of the Application Form for all your Bid options;
- Ensure that you have funds equal to the Bid Amount in the Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process or application forms submitted by RIIs using UPI mechanism for payment, to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
- Bidders, other than RIBs using the UPI Mechanism, shall ensure that they have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the relevant Designated Intermediaries;
- Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the I.T. Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- Ensure that the category and the investor status is indicated;
- Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
- Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
- Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Application Form and entered into the online IPO system of the Stock Exchange by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Application Form;
- Ensure that the Application Forms are delivered by the Bidders within the time prescribed as per the Application Form and the Draft Red Herring Prospectus;
- Ensure that you have mentioned the correct ASBA Account number or UPI ID in the Application Form;
- Ensure that you have mentioned the details of your own bank account for blocking of fund or your own

bank account linked UPI ID to make application in the Public Offer;

- Ensure that on receipt of the mandate request from sponsor bank, you have taken necessary step in timely manner for blocking of fund on your account through UPI ID using UPI application;
- Ensure that you have correctly signed the authorization/undertaking box in the Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA
- Account equivalent to the Bid Amount mentioned in the Application Form at the time of submission of the Bid;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- RIBs 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, an RIB may be deemed to have verified the attachment containing the application details of the RIB in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Application Form;
- RIBs shall ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank before 5:00 p.m. before the Bid / Offer Closing Date;
- RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;
- RIBs using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised Mandate Request generated by the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner; and
- Bids by Eligible NRIs and HUFs for a Bid Amount of less than Rs. 200,000 would be considered under the Retail Portion, and Bids for a Bid Amount exceeding Rs. 200,000 would be considered under the Non-Institutional Portion, for the purposes of allocation in the Offer.

The 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:**

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price Mentioned herein or in the Application Form
- Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest
- RIBs should not submit a Bid using the UPI Mechanism, unless the name of the bank where the bank account linked to your UPI ID is maintained, is listed on the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
- RIB should not submit a Bid using the UPI Mechanism, using a Mobile App or UPI handle, not listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;

- Do not apply for an Application Amount exceeding Rs. 2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Offer Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the General Index Register number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer.
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a color prescribed for another category of Applicant;
- All Investors submit their applications through the ASBA process only except as mentioned in SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 & SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021;
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.
- 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 RIB Bidders using the UPI Mechanism;

The Applications should be submitted on the prescribed Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

## **OTHER INSTRUCTIONS**

### **Joint Applications in the case of Individuals**

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 Applications**

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

- (i) All applications are electronically strung on first name, address (1<sup>st</sup> line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications.
- (ii) Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.

(iii) Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of know your client' norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

After submitting an ASBA Application either in physical or electronic mode, an ASBA Applicant cannot apply (either in physical or electronic mode) to either the same or another Designated Branch of the SCSB. Submission of a second Application in such manner will be deemed a multiple Application and would be rejected. More than one ASBA Applicant may apply for Equity Shares using the same ASBA Account, provided that the SCSBs will not accept a total of more than five Application Forms with respect to any single ASBA Account.

Duplicate copies of Application Forms downloaded and printed from the website of the Stock Exchange bearing the same application number shall be treated as multiple applications and are liable to be rejected. The Company, in consultation with the BRLM reserves the right to reject, in its absolute discretion, all or any multiple applications in any or all categories. In this regard, the procedure which would be followed by the Registrar to the Issue to detect multiple applications is given below:

1. All Applications will be checked for common PAN. For Applicants other than Mutual Funds and FII subaccounts, Applications bearing the same PAN will be treated as multiple Applications and will be rejected.
2. For Applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Applications on behalf of the Applicants for whom submission of PAN is not mandatory such as the Central or State Government, an official liquidator or receiver appointed by a court and residents of Sikkim, the Application Forms will be checked for common DP ID and Client ID.

#### **PERMANENT ACCOUNT NUMBER OR PAN**

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (PAN) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 02, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. Bid submitted without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

#### **GROUNDS FOR REJECTIONS**

In addition to the grounds for rejection of Bids on technical grounds as provided in the General Information Document, the bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
- Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form
- Bids submitted on a plain paper

- Bids submitted by RIBs using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI
- ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary
- Bids under the UPI Mechanism submitted by RIBs using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);
- Bids submitted without the signature of the First Bidder or sole Bidder
- The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
- Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
- GIR number furnished instead of PAN;
- Bids by RIBs with Bid Amount of a value of more than Rs. 2,00,000;
- Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals
- Bids accompanied by stock invest, money order, postal order or cash; and
- Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchange
- Applications by OCBs;

**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 ALLOTMENT**

### **a. For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Offer 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 Offer Price.

The Net Offer size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer 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 Offer Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

### **b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Offer 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 Offer Price.

The Net Offer size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer 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 Offer Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

### c. For QIBs

Bids received from QIBs Bidding in the QIB Category 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:

- 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 Offer 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;
- 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 Offer 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.

### c) Basis of Allotment for QIBs and NIIs in case of Over Subscribed Offer:

In the event of the Offer being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the NSE EMERGE (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- 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).

- 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).
- For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - Each successful Bidder shall be allotted [●] equity shares; and
  - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- 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.
- 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 Offer 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 National Stock Exchange of India Limited.**

**The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.**

#### **Issuance of Allotment advice**

- a. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- b. 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 Offer. The Book Running Lead Manager or the Registrar to the Offer will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.

- c. Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Offer Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

### **Designated Date**

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Issue Account with the Bankers to the Issue.

The Company will Issue and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any, within a period of 4 working days of the Bid/ Issue Closing Date. The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any.

### **Instruction 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 Offer with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e., [www.bseindia.com](http://www.bseindia.com) and NSE i.e. [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Offer 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 ETA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e., [www.bseindia.com/](http://www.bseindia.com/) and NSE i.e. [www.nseindia.com/](http://www.nseindia.com/)

### **Bidder's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository, the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be

used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

### **Submission of Bid cum Application form**

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

### **Communications**

All future communications in connection with Applications made in this Offer should be addressed to the Registrar to the Offer 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 Offer in case of any pre-Offer or post Offer 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 SME Platform of NSE where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Offer 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 6 (Six) days of the Offer Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 4(four) working days of the Offer 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.

### **Impersonation**

*Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:*

**"Any person who –**

- a. Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b. Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c. Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447."

### **Undertakings by our company**

Our Company undertakes the following:

1. that if our Company do not proceed with the Issue after the Issue Closing Date, the reason thereof shall be given as a public notice in the newspapers to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers in which the Pre- Issue advertisement was published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
2. that if our Company withdraw the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC / SEBI, in the event our Company subsequently decides to proceed with the Issue;
3. That the complaints received in respect of this Issue shall be attended to by us expeditiously and satisfactorily;
4. That all steps shall be taken to ensure that listing and commencement of trading of the Equity Shares at the Stock Exchange where the Equity Shares are proposed to be listed are taken within six Working Days of Issue Closing Date or such time as prescribed;
5. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
6. Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within six Working Days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.
7. That no further Issue of Equity Shares shall be made till the Equity Shares issued through this Draft Red Herring Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.
8. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.
9. That if Allotment is not made within the prescribed time period under applicable law, the entire

subscription amount received will be unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the ICDR Regulations and applicable law for the delayed period;

10. That the letter of allotment/ unblocking of funds to the non-resident Indians shall be dispatched within specified time;

### **Utilization of Issue Proceeds**

Our Board certifies that:

1. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in Section 40 of the Companies Act, 2013;
2. Details of all monies utilized out of the issue referred to in point 1 above shall be disclosed and continued to be disclosed till the time any part of the issue proceeds remains unutilized under an appropriate separate head in the balance-sheet of the issuer indicating the purpose for which such monies had been utilized;
3. Details of all unutilized monies out of the Issue referred to in 1, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested and
4. Our Company shall comply with the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
6. Our Company undertakes that the complaints or comments received in respect of the Offer shall be attended by our Company expeditiously and satisfactorily.

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## **RESTRICTION 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 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Foreign investment is allowed up to 100% under automatic route in our Company.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (DIPP), issued consolidated FDI Policy, which with effect from August 28, 2017 consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidation FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares by an Indian resident to a Non-Resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI/RBI.

**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 Securities Act and 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.**

**Accordingly, the Equity Shares are being offered and sold (i) within the United States to persons reasonably believed to be “qualified institutional investors” (as defined in Rule 144A under the Securities Act) pursuant to Rule 144A under the Securities Act or other applicable exemption under the Securities Act and (ii) outside the United States in offshore transactions in reliance on Regulations under the Securities Act and the applicable laws of the jurisdictions where such offers and sales occur.**

**The above information is given for the benefit of the Applicants. Our Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.**

*This space is left blank intentionally.*

## ISSUE STRUCTURE

*This Issue has been made in terms of Regulation 229(2) of Chapter IX of SEBI ICDR Regulations whereby, our post-issue face value capital is more than ten crore rupees and upto twenty five crore rupees. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the Emerge Platform of NSE Limited). For further details regarding the salient features and terms of this Offer, please refer to the chapter titled "Terms of the Issue" and "Issue Procedure" beginning on page 280 and 288 of this Draft Red Herring Prospectus.*

### Present Issue Structure

Initial Public Offer of 45,64,000 Equity Shares of Rs. 10/- each ("Equity Shares") of Aesthetik Engineers Limited ("AEL" or the "Company") for cash at a price of Rs. [●]/- per equity share (the "Issue Price"), aggregating to Rs. [●] Lakhs ("The Offer). Out of the Issue, 2,32,000 equity shares aggregating to Rs. [●] Lakhs will be reserved for subscription by Market Maker ("Market Maker Reservation Portion"). The Issue less the Market Maker Reservation Portion i.e. Issue of 43,32,000 equity shares of face value of Rs. 10.00/- each at an issue price of Rs. [●]/- per equity share aggregating to Rs. [●] Lakhs is hereinafter referred to as the "Net Issue". The Issue and the net Issue will constitute 26.50% and 25.16%, respectively of the Post Issue paid up equity share capital of our company.

Particulars of the Issue	Market Maker Reservation Portion	QIBs	Non – Institutional Investors	Retail Individual Investors
Number of Equity Shares available for allocation	2,32,000 Equity shares	[●] Equity shares	[●] Equity shares	[●] Equity shares
Percentage of Issue Size available for allocation	[●] % of the issue size	Not more than 50.00% of the Net offer size shall be available for allocation to QIBs. However, up to 5.00% of net QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Fund only. Up to 60.00% of the QIB Portion may be available for allocation to Anchor Investors and one third of the Anchor Investors Portion shall be available for allocation to domestic mutual funds only.	Not less than 15.00% of the Offer shall be available for allocation	Not less than 35.00% shall be available for allocation.

Basis of Allotment	Firm Allotment	Proportionate as follows (excluding the Anchor Investor Portion: (a) up to [●] Equity Shares, shall be available for allocation on a proportionate basis to Mutual Funds only; and; (b) [●] Equity shares shall be allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors For further details please refer to the section titled “Offer Procedure” beginning on page 288.	Proportionate	Allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details see, “Offer Procedure” on page 288.
Mode of Application	All the applicants shall make the application (Online or Physical) through the ASBA Process only (including UPI mechanism for Retail Investors using Syndicate ASBA).			
Minimum Bid Size	[●] Equity Shares in multiple of [●] Equity shares	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds Rs. 200,000.	Such number of Equity Shares and in multiples of [●] Equity Shares that the Bid Amount exceeds Rs. 200,000.	[●] Equity Shares in multiple of [●] Equity shares so that the Bid Amount does not exceed Rs. 2,00,000.
Maximum Application Size	[●] Equity Shares	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the Net Issue, subject to applicable limits.	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of the issue (excluding the QIB portion), subject to limits as applicable to the Bidder.	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid Amount does not exceed Rs. 2,00,000.
Mode of Allotment	Dematerialized Form			
Trading Lot	[●] Equity Shares, however, the Market Maker	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof

	may accept odd lots if any in the market as required under the SEBI ICDR Regulations			
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder 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.			

**Note:**

1. In case of joint application, the Application Form should contain only the name of the First Applicant whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such First Applicant would be required in the Application Form and such First Applicant would be deemed to have signed on behalf of the joint holders.
2. Applicants will be required to confirm and will be deemed to have represented to our Company, the BRLM, their respective directors, officers, agents, affiliates, and representatives that they are eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares in this Issue.
3. SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

**Lot Size**

SEBI vide circular CIR/MRD/DSA/06/2012 dated February 21, 2012 (the Circular) standardized the lot size for Initial Public Offer proposing to list on Emerge exchange/platform and for the secondary market trading on such exchange/platform, as under:

Issue Price (in Rs. )	Lot Size (No. of shares)
Upto 14	10000
More than 14 upto 18	8000
More than 18 upto 25	6000
More than 25 upto 35	4000
More than 35 upto 50	3000
More than 50 upto 70	2000
More than 70 upto 90	1600
More than 90 upto 120	1200
More than 120 upto 150	1000
More than 150 upto 180	800
More than 180 upto 250	600
More than 250 upto 350	400
More than 350 upto 500	300
More than 500 upto 600	240
More than 600 upto 750	200
More than 750 upto 1000	160
Above 1000	100

Further to the Circular, at the initial public offer stage the Registrar to Issue in consultation with BRLM, our Company and NSE shall ensure to finalize the basis of allotment in minimum lots and in multiples of minimum lot size, as per the above given table. The secondary market trading lot size shall be the same, as shall be the

initial public offer lot size at the application/allotment stage, facilitating secondary market trading.

\*50% of the shares offered are reserved for applications below Rs.2.00 lakh and the balance for higher amount applications.

## WITHDRAWAL OF THE ISSUE

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right to not to proceed with the Issue at any time before the Bid/Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper, where the Registered office of the Company is situated.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Bid/ Issue Closing Date and subsequently decides to undertake a public 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 approval of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the registration of Draft Red Herring Prospectus/ Red Herring Prospectus with RoC.

## JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities at Kolkata.

## BID/ISSUE PROGRAMME

Events	Indicatives date
Bid/Issue opening date	[•]
Bid/Issue closing date	[•]
Finalization of Basis of Allotment with the Designated Stock Exchange	[•]
Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account or UPI ID linked bank account	[•]
Credit of Equity Shares to Demat accounts of Allottees	[•]
Commencement of trading of the Equity Shares on the Stock Exchange	[•]

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue closing date when applications will be accepted only between 10.00 a.m. to 2.00 p.m.

In case of discrepancy in the data entered in the electronic book vis a vis the data contained in the physical bid form, for a particular bidder, the detail as per physical application form of that bidder may be taken as the final data for the purpose of allotment.

Standardization of cut-off time for uploading of applications on the issue closing date:

- (a) A standard cut-off time of 3.00 PM for acceptance of applications.
- (b) A standard cut-off time of 4.00 PM for uploading of applications received from non-retail applicants i.e., QIBs, HNIs and employees (if any).

A standard cut-off time of 5.00 PM for uploading of applications received from only retail applicants, which may be extended up to such time as deemed fit by Stock Exchanges after taking into account the total number of applications received upto the closure of timings and reported by BRLM to the Exchange within half an hour of such closure.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

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## **SECTION IX - MAIN PROVISION OF ARTICLE OF ASSOCIATION**

**The Companies Act, 2013**

**(Company Limited by Shares)**

### **ARTICLES OF ASSOCIATION**

**OF**

**AESTHETIK ENGINEERING LIMITED**

#### **PRELIMINARY**

1. The Regulations contained in Table F in Schedule I to the Companies Act, 2013 shall apply to the Company and the Regulations herein contained shall be the regulations for the management of the Company and for the observance of its members and their representatives. They shall be binding on the Company and its members as if they are the terms of an agreement between them.

#### **INTERPRETATION**

1. (i) In these Regulations:-

- (a) "**Company**" means **AESTHETIK ENGINEERING LIMITED**.
- (b) the Act" means the "Companies Act, 2013 and every statutory modification or re-enactment thereof and references to Sections of the Act shall be deemed to mean and include references to sections enacted in modification or replacement thereof.
- (c) "these Regulations" means these Articles of Associations as originally framed or as altered, from time to time.
- (d) "the office" means the Registered Office for the time being of the Company.
- (e) "the Seal" means the common seal and stamp of the Company.
- (f) Words imparting the singular shall include the plural and vice versa, words imparting the masculine gender shall include the feminine gender and words imparting persons shall includes bodies corporate and all other persons recognized by law as such.
- (g) "month" means a calendar month and "year" means financial year respectively.
- (h) Expressions referring to writing shall be construed as including references to printing, lithography, photography, and other modes of representing or reproducing words in a visible form.
- (i) Unless the context otherwise requires, the words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modifications thereof, in force at the date at which these regulations become binding on the Company.
- (j) The Company is a "**Public Company**" within the meaning of Section 2(71) of the Companies Act, 2013 and accordingly means a company which-

- a) is not a private company;  
b) has minimum paid up share capital, as may be prescribed.

<b>Title of Article</b>	<b>No.</b>	<b>Content</b>
<b>CAPITAL AND INCREASE AND REDUCTION OF CAPITAL</b>		
Share Capital	3	The Authorised Share Capital of the Company shall be such amount; divided into such class(es) denomination(s) and number of shares in the Company as stated in Clause V of the Memorandum of Association of the Company; with power to increase or reduce such Capital from time to time and power to divide the shares in the Capital for the time being into other classes and to attach thereto respectively such preferential , convertible, deferred, qualified or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the regulations of the Company or the provisions of the Company or the provisions of the law for the time being in force.
Increase of Capital by the Company how carried into effect	4	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new shares which may be unclassified and may be classified at the time of issue in one or more classes and such amount or amounts as may be deemed expedient. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Companies Act, 2013. Whenever the capital of the Company has been increased under the provisions of this Articles the Directors shall comply with the provisions of Section 64 of the Companies Act, 2013.
New Capital same as existing capital	5	Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.
Non Voting Shares	6	The Board shall have the power to issue a part of authorised capital by way of non-voting Shares at price(s) premium, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, in the event it is permitted by law to issue shares without voting rights attached to the subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.
Redeemable Preference Shares	7	Subject to the provisions of Section 55 of the Companies Act, 2013, the Company shall have the power to issue preference shares which are or at the option of the Company, liable to be redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.
Voting rights of preference shares	8	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares and in circumstances provided under Section 47(2).
Provisions to apply on issue of Redeemable Preference Shares	9	On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions-shall take effect:  (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the

		<p>purpose of the redemption.</p> <p>(b) No such Shares shall be redeemed unless they are fully paid.</p> <p>(c) The premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed.</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Companies Act, 2013 apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company.</p> <p>(e) Subject to the provisions of Section 55 of the Companies Act, 2013, the redemption of preference shares hereunder may be affected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit.</p>
Reduction of capital	10	<p>The Company may (subject to the provisions of section 52, 55(1) &amp; (2) of the Companies Act, 2013 and Section 80 of the Companies Act, 1956, to the extent applicable, and Section 100 to 105 of the Companies Act, 1956, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account.</p> <p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p>
Purchase of own Shares	11	<p>The Company shall have power, subject to and in accordance with all applicable provisions of the Act, to purchase any of its own fully paid Shares whether or not they are redeemable and may make a payment out of capital in respect of such purchase.</p>
Sub-division consolidation and cancellation of Shares	12	<p>Subject to the provisions of Section 61 of the Companies Act, 2013 and other applicable provisions of the Act, the Company in General Meeting may, from time to time, sub-divide or consolidate its Shares, or any of them and the resolution whereby any Share is sub-divided may determine that, as between the holders of the Shares resulting from such sub-divisions, one or more of such Shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other(s). Subject as aforesaid, the Company in General Meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the Shares so cancelled.</p>
<b>MODIFICATION OF RIGHTS</b>		
Modification of rights	13	<p>Whenever the capital, by reason of the issue of preference shares or otherwise, is divided into different classes of Shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 48 of the Companies Act, 2013 be modified, commuted, affected, abrogated, dealt with or varied with the consent in writing of the holders of not less than three-fourth of the issued capital of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of Shares of that class, and all the provisions hereafter contained as to General Meeting shall mutatis mutandis apply to every such Meeting. This Article is not to</p>

		<p>derogate from any power the Company would have if this Article was omitted.</p> <p>The rights conferred upon the holders of the Shares (including preference shares, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of Shares of that class, be deemed not to be modified, commuted, affected, dealt with or varied by the creation or issue of further Shares ranking pari passu therewith.</p>
<b>SHARES, CERTIFICATES AND DEMATERIALISATION</b>		
Restriction on allotment and return of allotment	14	The Board of Directors shall observe the restrictions on allotment of Shares to the public contained in Section 39 of the Companies Act, 2013, and shall cause to be made the returns as to allotment provided for in Section 39 of the Companies Act, 2013.
Further issue of shares	15	1) Where at any time, a company having a share capital proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered-
		a. to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:—
		b. the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;
		c. the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) shall contain a statement of this right;
		d. after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the shareholders and the company;
		e. to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such conditions as may be prescribed; or
		f. to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed.
		2) The notice referred to in sub-clause (a)(i) of Clause (1) shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.
		3) Nothing aforesaid shall apply to the increase of the subscribed capital of a company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company:
		Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in general meeting.

Shares at the disposal of the Directors	16	Subject to the provisions of Section 62 of the Companies Act, 2013 and these Articles, the Shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 53 of the Companies Act, 2013) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares. Provided that option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.
Power to offer Shares/options to acquire Shares	16A	1) Without prejudice to the generality of the powers of the Board under Article 16 or in any other Article of these Articles of Association, the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, at any point of time, offer existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) to its employees, including Directors (whether whole-time or not), whether at par, at discount or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force.
		2) In addition to the powers of the Board under Article 16A (1), the Board may also allot the Shares referred to in Article 16A (1) to any trust, whose principal objects would inter alia include further transferring such Shares to the Company's employees [including by way of options, as referred to in Article 16A (1)] in accordance with the directions of the Board or any Committee thereof duly constituted for this purpose. The Board may make such provision of moneys for the purposes of such trust, as it deems fit.
		3) The Board, or any Committee thereof duly authorized for this purpose, may do all such acts, deeds, things, etc. as may be necessary or expedient for the purposes of achieving the objectives set out in Articles 16A (1) and (2) above.
Application of premium received on Shares	17	1) Where the Company issues Shares at a premium whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on these Shares shall be transferred to an account, to be called "the securities premium account" and the provisions of the Act relating to the reduction of the share capital of the Company shall except as provided in this Article, apply as if the securities premium account were paid up share capital of the Company.
		2) The securities premium account may, notwithstanding anything in clause (1) thereof be applied by the Company: <ul style="list-style-type: none"> <li>a. In paying up unissued Shares of the Company, to be issued to the Members of the Company as fully paid bonus shares;</li> <li>b. In writing off the preliminary expenses of the Company;</li> <li>c. In writing off the expenses of or the commission paid or discount allowed or any issue of Shares or debentures of the Company ;or</li> </ul>

		<p>d. In providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company.</p> <p>e. For the purchase of its own shares or other securities under Section 68 of the Companies Act, 2013.</p>
Power also to Company in General Meeting to issue Shares	18	In addition to and without derogating from the powers for that purpose conferred on the Board under these Articles, the Company in General Meeting may, subject to the provisions of Section 62 of the Companies Act, 2013, determine that any Shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether Members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 52 and 53 of the Companies Act, 2013) at a premium or at par or at a discount as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option or right to call for or buy allotted Shares of any class of the Company either (subject to compliance with the provisions of Sections 52 and 53 of the Companies Act, 2013) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment, or disposal of any Shares.
Power of General Meeting to authorize Board to offer Shares/Options to employees	18A	Without prejudice to the generality of the powers of the General Meeting under Article 18 or in any other Article of these Articles of Association, the General Meeting may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, determine, or give the right to the Board or any Committee thereof to determine, that any existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) be allotted/granted to its employees, including Directors (whether whole-time or not), whether at par, at discount or a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force. The General Meeting may also approve any Scheme/Plan/ other writing, as may be set out before it, for the afore said purpose. In addition to the powers contained in Article 18A (1), the General Meeting may authorize the Board or any Committee thereof to exercise all such powers and do all such things as may be necessary or expedient to achieve the objectives of any Scheme/Plan/other writing approved under the aforesaid Article.
Shares at a discount	19	<p>The Company shall not issue Shares at a discount except the issue of Sweat Equity Shares of a class already issued, if the following conditions are fulfilled, namely:</p> <p>(a) the issue is authorized by a special resolution passed by the company;</p> <p>(b) the resolution specifies the number of shares, the current market price, consideration, if any, and the class or classes of directors or employees to whom such equity shares are to be issued;</p> <p>(c) not less than one year has, at the date of such issue, elapsed since the date on which the company had commenced business; and</p> <p>(d) where the equity shares of the company are listed on a recognized stock exchange, the sweat equity shares are issued in accordance with the regulations made by the Securities and Exchange Board in this behalf and if they are not so listed, the sweat equity shares are issued in accordance with the prescribed rules.</p>
Installments of Shares to be duly paid	20	If by the conditions of any allotment of any Shares the whole or any part of the amount or issued price thereof shall, be payable by installments, every such installment shall when due, be paid to the Company by the person who for the time being and from time

		to time shall be the registered holder of the Shares or his legal representatives, and shall for the purposes of these Articles be deemed to be payable on the date fixed for payment and in case of non-payment the provisions of these Articles as to payment of interest and expenses forfeiture and like and all the other relevant provisions of the Articles shall apply as if such installments were a call duly made notified as hereby provided.
The Board may issue Shares as fully paid-up	21	Subject to the provisions of the Act and these Articles, the Board may allot and issue Shares in the Capital of the Company as payment for any property purchased or acquired or for services rendered to the Company in the conduct of its business or in satisfaction of any other lawful consideration. Shares which may be so issued may be issued as fully paid-up or partly paid up Shares.
Acceptance of Shares	22	Any application signed by or on behalf of an applicant for Share(s) in the Company, followed by an allotment of any Share therein, shall be an acceptance of Share(s) within the meaning of these Articles, and every person who thus or otherwise accepts any Shares and whose name is therefore placed on the Register of Members shall for the purpose of this Article, be a Member.
Deposit and call etc., to be debt payable	23	The money, if any which the Board of Directors shall on the allotment of any Shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any Shares allotted by them shall immediately on the inscription of the name of the allottee in the Register of Members as the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.
Liability of Members	24	Every Member, or his heirs, executors or administrators to the extent of his assets which come to their hands, shall be liable to pay to the Company the portion of the capital represented by his Share which may, for the time being, remain unpaid thereon in such amounts at such time or times and in such manner as the Board of Directors shall, from time to time, in accordance with the Company's requirements require or fix for the payment thereof.
Dematerialization of securities	25A	Definitions: <b>Beneficial Owner</b> "Beneficial Owner" means a person whose name is recorded as such with a Depository. <b>SEBI</b> "SEBI" means the Securities and Exchange Board of India. <b>Bye-Laws</b> "Bye-Laws" mean bye-laws made by a depository under Section 26 of the Depositories Act, 1996; <b>Depositories Act</b> "Depositories Act" means the Depositories Act, 1996 including any statutory modifications or re-enactment thereof for the time being in force; <b>Depository</b> "Depository" means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992; <b>Record</b> "Record" includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the regulations made by SEBI; <b>Regulations</b> "Regulations" mean the regulations made by SEBI; <b>Security</b> "Security" means such security as may be specified by SEBI.
Dematerialization of securities	25B	Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialized form, the Company shall enter into an agreement with the depository to enable the investor to dematerialize the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.
Options to	25C	Every person subscribing to securities offered by the Company shall have the option to

receive security certificates or hold securities with depository		<p>receive the Security certificates or hold securities with a depository.</p> <p>Where a person opts to hold a Security with a depository, the Company shall intimate such depository the details of allotment of the Security, and on receipt of such information the depository shall enter in its record the name of the allotted as the Beneficial Owner of that Security.</p>
Securities in depositories to be in fungible form	25D	All Securities held by a Depository shall be dematerialized and shall be in a fungible form;
Rights of depositories and beneficial owners	25E	<ol style="list-style-type: none"> <li>1) Notwithstanding anything to the contrary contained in the Articles, a Depository shall be deemed to be a registered owner for the purposes of effecting transfer of ownership of Security on behalf of the Beneficial Owner;</li> <li>2) Save as otherwise provided in (1) above, the Depository as a registered owner shall not have any voting rights or any other rights in respect of Securities held by it;</li> <li>3) Every person holding equity share capital of the Company and whose name is entered as Beneficial Owner in the Records of the Depository shall be deemed to be a Member of the Company. The Beneficial Owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of the Securities held by a Depository.</li> </ol>
Depository To Furnish Information	25F	Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.
Service of documents	25G	Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.
Option to opt out in respect of any security	25H	If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, the Beneficial Owner shall inform the Depository accordingly. The Depository shall on receipt of information as above make appropriate entries in its Records and shall inform the Company. The Company shall, within thirty (30) days of the receipt of intimation from the depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.
Sections 45 and 56 of the Companies Act, 2013 not to apply	25I	<p>Notwithstanding anything to the contrary contained in the Articles:</p> <ol style="list-style-type: none"> <li>1) Section 45 of the Companies Act, 2013 shall not apply to the Shares held with a Depository;</li> <li>2) Section 56 of the Companies Act, 2013 shall not apply to transfer of Security affected by the transferor and the transferee both of whom are entered as Beneficial Owners in the Records of a Depository.</li> </ol>
Share certificate	26	<ol style="list-style-type: none"> <li>(a) Every Member or allottee of Shares is entitled, without payment, to receive one certificate for all the Shares of the same class registered in his name.</li> <li>(b) Any two or more joint allottees or holders of Shares shall, for the purpose of this Article, be treated as a single Member and the certificate of any Share which may be the subject of joint ownership may be delivered to anyone of such joint owners, on behalf of all of them.</li> </ol>
Limitation of time for issue of certificates	26A	Every Member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine)

		to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its Shares as the case may be. Every certificate of Shares shall be under the seal of the company and shall specify the number and distinctive numbers of Shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that in respect of a 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 of Shares to one or several joint holders shall be a sufficient delivery to all such holder.
Renewal of share certificates	27	<p>No certificate of any Share or Shares shall be issued either in exchange for those, which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn-out, or where the pages on the reverse for recording transfer have been duly utilised unless the certificate in lieu of which it is issued is surrendered to the Company.</p> <p>PROVIDED THAT no fee shall be charged for issue of new certificate in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfer have been fully utilized.</p>
Issue of new certificate in place of one defaced, lost or destroyed	28	If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof 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 lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every certificate under the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new Certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.
		Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulations or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf.
		The provision of this Article shall mutatis mutandis apply to Debentures of the Company.
The first name joint holder deemed sole holder	29	If any Share(s) stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and all or any other matters connected with Company except voting at Meetings and the transfer of the Shares be deemed the sole holder thereof but the joint holders of a Share shall severally as well as jointly be liable for the payment of all incidents thereof according to the Company's Articles.
Issue of Shares without Voting Rights	30	In the event it is permitted by law to issue shares without voting rights attached to them, the Directors may issue such share upon such terms and conditions and with such rights and privileges annexed thereto as thought fit and as may be permitted by law.
Buy-Back of Shares and Securities	31	Notwithstanding anything contained in these articles, in the event it is permitted by law for a company to purchase its own shares or securities, the Board of Directors may, when and if thought fit, buy back, such of the Company's own shares or securities as

		it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, provision of section 67 and SEBI (Buy Back of Shares) Regulations as may be permitted by law.
Employees Stock Options Scheme/Plan	32	The Directors shall have the power to offer , issue and allot Equity Shares in or Debentures (Whether fully/ partly convertible or not into Equity Shares) of the Company with or without Equity Warrants to such of the Officers, Employees, Workers of the Company or of its Subsidiary and / or Associate Companies or Managing and Whole Time Directors of the Company (hereinafter in this Article collectively referred to as “the Employees”) as may be selected by them or by the trustees of such trust as may be set up for the benefit of the Employees in accordance with the terms and conditions of the Scheme, trust, plan or proposal that may be formulated , created, instituted or set up by the Board of Directors or the Committee thereof in that behalf on such terms and conditions as the Board may in its discretion deem fit.
Sweat Equity	33	Subject to the provisions of the Act (including any statutory modification or re-enactment thereof, for the time being in force), shares of the Company may be issued at a discount or for consideration other than cash to Directors or employees who provide know-how to the Company or create an intellectual property right or other value addition.
Postal Ballot	34	The Company may pass such resolution by postal ballot in the manner prescribed by Section 110 of the Companies Act, 2013 and such other applicable provisions of the Act and any future amendments or re-enactment thereof and as may be required by any other law including Listing Regulations as amended from time to time. Notwithstanding anything contained in the provisions of the Act, the Company shall in the case of a resolution relating to such business, as the Central Government may, by notification, declare to be conducted only by postal ballot, get such resolution passed by means of postal ballot instead of transacting such business in a general meeting of the Company.
Company not bound to recognize any interest in Shares other than of registered holder	35	Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize, even when having notice thereof any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.
Trust recognized	36	(a) Except as ordered, by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize, even when having notice thereof, any equitable, contingent, future or partial interest in any Share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a Share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them. (b) Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or of a person of unsound mind (except in case where they are fully paid) or in the name of any firm or partnership.
Declaration by person not	37	1) Notwithstanding anything herein contained a person whose name is at any time entered in Register of Member of the Company as the holder of a Share in the

holding beneficial interest in any Shares		<p>Company, but who does not hold the beneficial interest in such Shares, shall, if so required by the Act within such time and in such forms as may be prescribed, make declaration to the Company specifying the name and other particulars of the person or persons who hold the beneficial interest in such Share in the manner provided in the Act.</p> <p>2) A person who holds a beneficial interest in a Share or a class of Shares of the Company, shall if so required by the Act, within the time prescribed, after his becoming such beneficial owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the Shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in the Act.</p> <p>3) Whenever there is a change in the beneficial interest in a Share referred to above, the beneficial owner shall, of so required by the Act, within the time prescribed, from the date of such change, make a declaration to the Company in such form and containing such particulars as may be prescribed in the Act</p> <p>4) Notwithstanding anything contained in the Act and Articles 35 and 36 hereof, where any declaration referred to above is made to the Company, the Company shall, if so required by the Act, make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a return in the prescribed form with the Registrar with regard to such declaration.</p>
Funds of Company not to be applied in purchase of Shares of the Company	38	No funds of the Company shall except as provided by Section 67 of the Companies Act, 2013 be employed in the purchase of its own Shares, unless the consequent reduction of capital is effected and sanction in pursuance of Sections 52, 55 (to the extent applicable) of Companies Act, 2013 and Sections 80 and 100 to 105 of the Companies Act, 1956 and these Articles or in giving either directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any Share in the Company in its holding Company.
<b>UNDERWRITING AND BROKERAGE</b>		
Commission may be paid	39	Subject to the provisions of Section 40 of the Companies Act, 2013, the Company may at anytime pay commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any Shares in or debentures of the Company.
Brokerage	40	The Company may on any issue of Shares or Debentures or on deposits pay such brokerage as may be reasonable and lawful.
Commission to be included in the annual return	41	Where the Company has paid any sum by way of commission in respect of any Shares or Debentures or allowed any sums by way of discount in respect to any Shares or Debentures, such statement thereof shall be made in the annual return as required by Section 92 to the Companies Act, 2013.
<b>DEBENTURES</b>		
Debentures with voting rights not to be issued	42	<p>(a) The Company shall not issue any debentures carrying voting rights at any Meeting of the Company whether generally or in respect of particular classes of business.</p> <p>(b) Payments of certain debts out of assets subject to floating charge in priority to claims under the charge may be made in accordance with the provisions of Section 327 of the Companies Act, 2013.</p> <p>(c) Certain charges (which expression includes mortgage) mentioned in Section 77 of the Companies Act, 2013 shall be void against the Liquidator or creditor unless registered as provided in Section 77 of the Companies Act, 2013.</p>

		<p>(d) A contract with the Company to take up and pay debentures of the Company may be enforced by a decree for specific performance.</p> <p>(e) Unless the conditions of issue thereof otherwise provide, the Company shall (subject to the provisions of Section 56 of the Companies Act, 2013) within six months after the allotment of its debentures or debenture-stock and within one month after the application for the registration of the transfer of any such debentures or debentures-stock have completed and ready for delivery the certificate of all debenture- stock allotted or transferred.</p> <p>(f) The Company shall comply with the provisions of Section 71 of the Companies Act, 2013 as regards supply of copies of Debenture Trust Deed and inspection thereof.</p> <p>(g) The Company shall comply with the provisions of Section 2(16), 77 to 87 (inclusive) of the Companies Act, 2013 as regards registration of charges.</p>
<b>CALLS</b>		
Directors may make calls	43	<p>(a) Subject to the provisions of Section 49 of the Companies Act, 2013 the Board of Directors may from time to time by a resolution passed at a meeting of a Board (and not by a circular resolution) make such calls as it thinks fit upon the Members in respect of all moneys unpaid on the Shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed time and each Member shall pay the amount of every call so made on him to person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine. No call shall be made payable within less than one month from the date fixed for the payment of the last preceding call.</p> <p>(b) The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.</p>
Notice of call when to be given	44	Not less than fourteen days notice in writing of any call shall be given by the Company specifying the time and place of payment and the person or persons to whom such call shall be paid.
Call deemed to have been made	45	A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at a meeting of the Board of Directors and may be made payable by the Members of such date or at the discretion of the Directors on such subsequent date as shall be fixed by the Board of Directors.
Directors may extend time	46	The Directors may, from time to time, at their discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members who from residence at a distance or other cause, the Directors may deem fairly entitled to such extension, but no member shall be entitled to such extension, save as a matter of grace and favour.
Amount payable at fixed time or by installments to be treated as calls	47	If by the terms of issue of any Share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the Share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.
When interest on call or installment payable	48	If the sum payable in respect of any call or installment is not paid on or before the day appointed for the payment thereof, the holder for the time being or allottee of the Share in respect of which the call shall have been made or the installment shall be due, shall pay interest on the same at such rate not exceeding ten percent per annum as Directors shall fix from the day appointed for the payment thereof up to the time of actual

		payment but the Directors may waive payment of such interest wholly or in part.
Evidence in action by Company any againstshare holder	49	On the trial of hearing of any action or suit brought by the Company against any Member or his Legal Representatives for the recovery of any money claimed to be due to the Company in respect of his Shares, it shall be sufficient to prove that the name of the Member in respect of whose Shares the money is sought to be recovered is entered on the Register of Members as the holder or as one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the Shares in respect of which the money is sought to be recovered, that the resolution making the call is duly recorded in the minute book and the notice of such call was duly given to the Member or his legal representatives sued in pursuance of these Articles and it shall not be necessary to prove the appointment of Directors who made such call, nor that a quorum of Directors was present at the Board meeting at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.
Payment in anticipation of calls may carry interest	50	The Directors may, if they think fit, subject to the provisions of Section 50 of the Companies Act, 2013, agree to and receive from any Member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced. The Members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable. The provisions of these Articles shall mutatis mutandis apply to the calls on Debentures of the Company.
<b>LIEN</b>		
Partial payment not to preclude forfeiture	51	Neither the receipt by the Company of a portion of any money which shall, from time to time be due from any Member to the Company in respect of his Shares, either by way of principal or interest, or any indulgence granted by the Company in respect of the payment of such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided.
Company's lien on Shares/ Debentures	52	The Company shall have first and paramount lien upon all Shares/Debentures (other than fully paid up Shares/ Debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such Shares/ Debentures and no equitable interest in any Share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such Shares/Debentures; Unless otherwise agreed the registration of a transfer of Shares/ Debentures shall operate as a waiver of the Company's lien if any, on such Shares/Debentures. The Directors may at any time declare any Shares/ Debentures wholly or in part exempt from the provisions of this Article.
As to enforcing lien by sale	53	The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has lien for the purpose of enforcing the same.  PROVIDED THAT no sale shall be made:-

		<p>(a) Unless a sum in respect of which the lien exists is presently payable; or</p> <p>(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.</p> <p>For the purpose of such sale the Board may cause to be issued a duplicate certificate in respect of such Shares and may authorize one of their members to execute a transfer there from on behalf of and in the name of such Members.</p> <p>The purchaser shall not be bound to see 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.</p>
Application of proceeds of sale	54	<p>(a) The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable, and</p> <p>(b) The residue if any, after adjusting costs and expenses if any incurred shall be paid to the person entitled to the Shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the Shares before the sale).</p>
<b>FORFEITURE OF SHARES</b>		
If money payable on Shares not paid notice to be given	55	If any Member fails to pay the whole or any part of any call or any installments of a call on or before the day appointed for the payment of the same or any such extension thereof, the Board of Directors may, at any time thereafter, during such time as the call for installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
Sum payable on allotment to be deemed a call	56	For the purposes of the provisions of these Articles relating to forfeiture of Shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such Share on the day of allotment.
Form of notice	57	The notice shall name a day, (not being less than fourteen days from the day of the notice) and a place or places on and at which such call in installment and such interest thereon at such rate not exceeding eighteen percent per annum as the Directors may determine and expenses as aforesaid are to be paid. The notice shall also state that in the event of the non-payment at or before the time and at the place appointed, Shares in respect of which the call was made or installment is payable will be liable to be forfeited.
In default of payment Shares to be forfeited	58	If the requirements of any such notice as aforesaid are not complied with, any Share or Shares in respect of which such notice has been given may at any time thereafter before payment of all calls or installments, interests and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited Shares and not actually paid before the forfeiture.
Notice of forfeiture to a Member	59	When any Share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.
Forfeited	60	Any Share so forfeited, shall be deemed to be the property of the Company and may

Shares to be the property of the Company and may be sold etc.		be sold, re-allotted or otherwise disposed of, either to the original holder or to any other person, upon such terms and in such manner as the Board of Directors shall think fit.
Member still liable for money owing at the time of forfeiture and interest	61	Any Member whose Shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, installments, interest and expenses owing upon or in respect of such Shares at the time of the forfeiture together with interest thereon from the time of the forfeiture until payment, at such rate not exceeding eighteen percent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such moneys or any part thereof, if it thinks fit, but shall not be under any obligation to do so.
Effects of forfeiture	62	The forfeiture of a Share shall involve the extinction at the time of the forfeiture, of all interest in and all claims and demand against the Company in respect of the Share and all other rights incidental to the Share, except only such of those rights as by these Articles are expressly saved.
Power to annul forfeiture	63	The Board of Directors may at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.
Declaration of forfeiture	64	<p>(a) A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or the Secretary of the Company, and that Share in the Company has been duly forfeited in accordance with these Articles, 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.</p> <p>(b) The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed off.</p> <p>(c) The person to whom such Share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the Share.</p> <p>(d) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay calls, amounts, installments, interests and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interests or bonuses accrued or which might have accrued upon the Share before the time of completing such purchase or before such allotment.</p> <p>(e) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be effected by the irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the Shares.</p>
Provisions of these articles as to forfeiture to apply in case of non-payment of any sum	65	The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a Share becomes payable at a fixed time, whether on account of the nominal value of Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
Cancellation of shares certificates in	66	Upon sale, re-allotment or other disposal under the provisions of these Articles, the certificate or certificates originally issued in respect of the said Shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the

respect of forfeited Shares		defaulting Member) stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue a new certificate or certificates in respect of the said Shares to the person or persons entitled thereto.
Evidence of forfeiture	67	The declaration as mentioned in Article 64(a) of these Articles shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.
Validity of sale	68	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.
Surrender of Shares	69	The Directors may subject to the provisions of the Act, accept surrender of any share from any Member desirous of surrendering on such terms and conditions as they think fit.
<b>TRANSFER AND TRANSMISSION OF SHARES</b>		
No transfers to minors etc.	70	No Share which is partly paid-up or on which any sum of money is due shall in any circumstances be transferred to any minor, insolvent or person of unsound mind.
Instrument transfer of	71	The instrument of transfer shall be in writing and a common form of transfer shall be used and all provisions of Section 56 of the Companies Act, 2013 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.
Application transfer for	72	<p>(a) An application for registration of a transfer of the Shares in the Company may be made either by the transferor or the transferee.</p> <p>(b) Where the application is made by the transferor and relates to partly paid Shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.</p> <p>(c) For the purposes of clause (b) above notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address, given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.</p>
Execution transfer of	73	The instrument of transfer of any Share shall be duly stamped and executed by or on behalf of both the transferor and the transferee and shall be witnessed. The transferor shall be deemed to remain the holder of such Share until the name of the transferee shall have been entered in the Register of Members in respect thereof. The requirements of provisions of Section 56 of the Companies Act, 2013 and any statutory modification thereof for the time being shall be duly complied with.
Transfer by legal representatives	74	A transfer of Share in the Company of a deceased Member thereof made by his legal representative shall, although the legal representative is not himself a Member be as valid as if he had been a Member at the time of the execution of the instrument of transfer.
Register of Members etc	75	The Board of Directors shall have power on giving not less than seven days previous notice by advertisement in some newspaper circulating in the district in which the

when closed		registered office of the Company is situated to close the Register of Members and/or the Register of debentures holders , in accordance with Section 91 of the Companies Act, 2013 and rules made thereunder, at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.
Directors may refuse to register transfer	76	Subject to the provisions of Section 58 & 59 of the Companies Act, 2013, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares.
Death of one or more joint holders of Shares	77	In case of the death of any one or more of the persons named in the Register of Members as the joint holders of any Share, the survivor or survivors shall be the only persons recognized by the Company as having any title or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him with any other person.
Titles of Shares of deceased Member	78	78.The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks it, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 and 56 of the Companies Act, 2013.
Notice of application when to be given	79	Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Companies Act, 2013.
Registration of persons entitled to Shares otherwise than by transfer (Transmission Clause)	80	Subject to the provisions of the Act and Article 77 hereto, any person becoming entitled to Share in consequence of the death, lunacy, bankruptcy or insolvency of any Member or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of such title as the Board thinks sufficient, either be registered himself as the holder of the Share or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his nominee registered as a holder, he shall

		execute an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the Shares. This clause is hereinafter referred to as the “Transmission Clause”.
Refusal to register nominee	81	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any Share of his nominee as if he were the transferee named in an ordinary transfer presented for registration.
Person entitled may receive dividend without being registered as a Member	82	A person entitled to a Share by transmission shall subject to the right of the Directors to retain dividends or money as is herein provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the Share.
No fee on transfer or transmissions	83	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate & Letters of Administration, Certificate of Death or Marriage, Power of Attorney or other similar document.
Transfer to be presented with evidence of title	84	Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the Shares and generally under and subject to such conditions and regulations as the Board may, from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.
Company not liable for disregard of a notice prohibiting registration of transfer	85	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of Shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said Shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto, in any book of the Company, and the Company shall not be bound to be required to regard or attend to give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company, but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.
<b>CONVERSION OF SHARES INTO STOCK AND RECONVERSION</b>		
Share may be converted into stock	86	The Company may, by Ordinary Resolution convert any fully paid up Share into stock, and reconvert any stock into fully paid-up Shares.
Transfer of stock	87	The several holders of such stock may transfer their respective interest therein or any part thereof in the same manner and subject to the same regulations under 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 stock arose.
Right of stockholders	88	The holders of stock shall, according to the amount of stock held by them, have the same right, privileges and advantages as regards dividends, voting at meeting of the

		Company, and other matters, as if they held them in 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 those privileges or advantages.
Regulation applicable to stock and share warrant	89	Such of the regulations of the Company as are applicable to the paid up Shares shall apply to stock and the words "Share" and "Shareholder" in these regulations shall include "stock" and "stock holder" respectively.
<b>BORROWING POWERS</b>		
Power to borrow	90	<p>Subject to the provisions of Sections 73, 74 and 179 of the Companies Act, 2013 and these Articles, the Board of Directors may, from time to time at its discretion by a resolution passed at a meeting of the Board, borrow, accept deposits from Members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any such sum or sums of money for the purposes of the Company from any source.</p> <p>PROVIDED THAT, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board of Directors shall not borrow such money without the sanction of the Company in General Meeting. No debts incurred by the Company in excess of the limit imposed by this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.</p>
The payment or repayment of moneys borrowed	91	The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular in pursuance of a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of bonds, debentures or debentures stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its un-called capital for the time being and the debentures and the debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
Bonds, Debentures, etc. to be subject to control of Directors	92	Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider being for the benefit of the Company.
Terms of issue of Debentures	93	Any Debentures, Debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into Shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of Shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. However, Debentures with the right to conversion into or allotment of Shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.
Mortgage of uncalled	94	If any uncalled capital of the Company is included in or charged by mortgage or other security, the Directors may, subject to the provisions of the Act and these Articles,

capital		make calls on the Members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security has been executed.
Indemnity may be given	95	Subject to the provisions of the Act and these Articles, if the Directors or any of them or any other person shall incur or about to incur any liability as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.
<b>RELATED PARTY TRANSACTIONS</b>		
Related Party Transactions	96	A. Subject to the provisions of the Act, the Company may enter into contracts with the Related Party which are at arm's length and are in ordinary course of business of the company with approval of the Audit Committee. B. Subject to the provisions of the Act, the Company may enter into contracts with the related parties which are of such nature wherein it requires consent of shareholders in terms of Act or Listing Regulations or any other law for the time being in force, with approval of the shareholders in the general meeting.
<b>MEETING OF MEMBERS</b>		
Annual General Meeting	97	<ul style="list-style-type: none"> <li>i. An Annual General Meeting of the Company shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of next.</li> <li>ii. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96(1) of the Act to extend the time with which any Annual General Meeting may be held.</li> <li>iii. Every Annual General Meeting shall be called at a time during business hours i.e. 9 a.m. to 6 p.m., on a day that is not a National holiday, and shall be held at the office of the Company or at some other place within the city in which the Registered Office of the Company is situated as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting.</li> <li>iv. The company may in any one Annual General Meeting fix the time for its subsequent Annual General Meeting.</li> <li>v. Every Member of the Company shall be entitled to attend, either in person or by proxy and the Auditors of the Company shall have the right to attend and be heard at any General Meeting which he attends on any part of the business which concerns him as an Auditor.</li> <li>vi. At every Annual General Meeting of the Company, there shall be laid on the table the Director's Report and Audited statement of accounts, the Proxy Register with proxies and the Register of Director's Shareholding, which Registers shall remain open and accessible during the continuance of the Meeting.</li> <li>vii. The Board shall cause to be prepared the annual list of Members, summary of share capital, balance sheet and profit and loss account and forward the same to the Registrar in accordance with Sections 92 and 137 of the Act.</li> </ul>
Report statement and registers to be laid before the Annual General Meeting	98	The Company shall in every Annual General Meeting in addition to any other Report or Statement lay on the table the Director's Report and audited statement of accounts, Auditor's Report (if not already incorporated in the audited statement of accounts), the Proxy Register with proxies and the Register of Director's Shareholdings, which Registers shall remain open and accessible during the continuance of the Meeting.
Extra-	99	All General Meeting other than Annual General Meeting shall be called Extra-Ordinary

Ordinary General Meeting		General Meeting.
Requisitionists' Meeting	100	<p>1) Subject to the provisions of Section 111 of the Companies Act, 2013, the Directors shall on the requisition in writing of such number of Members as is herein after specified:-</p> <ol style="list-style-type: none"> <li>a. Give to the Members of the Company entitled to receive notice of the next Annual General Meeting, notice of any resolution which may properly be moved and is intended to be moved at that meeting.</li> <li>b. Circulate to the Members entitled to have notice of any General Meeting sent to them, any statement with respect to the matter referred to in any proposed resolution or any business to be dealt with at that Meeting.</li> </ol> <p>2) The number of Members necessary for a requisition under clause (1) hereof shall be such number of Members as represent not less than one-tenth of the total voting power of all the Members having at the date of the resolution a right to vote on the resolution or business to which the requisition relates; or</p> <p>3) Notice of any such resolution shall be given and any such statement shall be circulated, to Members of the Company entitled to have notice of the Meeting sent to them by serving a copy of the resolution or statement to each Member in any manner permitted by the Act for service of notice of the Meeting and notice of any such resolution shall be given to any other Member of the Company by giving notice of the general effect of the resolution in any manner permitted by the Act for giving him notice of meeting of the Company. The copy of the resolution shall be served, or notice of the effect of the resolution shall be given, as the case may be in the same manner, and so far as practicable, at the same time as notice of the Meeting and where it is not practicable for it to be served or given at the time it shall be served or given as soon as practicable thereafter.</p> <p>4) The Company shall not be bound under this Article to give notice of any resolution or to circulate any statement unless:</p> <ol style="list-style-type: none"> <li>a. A copy of the requisition signed by the requisitionists (or two or more copies which between them contain the signature of all the requisitionists) is deposited at the Registered Office of the Company. <ol style="list-style-type: none"> <li>i. In the case of a requisition, requiring notice of resolution, not less than six weeks before the Meeting;</li> <li>ii. In the case of any other requisition, not less than two weeks before the Meeting, and</li> </ol> </li> <li>b. There is deposited or tendered with the requisition sum reasonably sufficient to meet the Company's expenses in giving effect thereto.</li> </ol> <p>PROVIDED THAT if, after a copy of the requisition requiring notice of a resolution has been deposited at the Registered Office of the Company, an Annual General Meeting is called for a date six weeks or less after such copy has been deposited, the copy although not deposited within the time required by this clause, shall be deemed to have been properly deposited for the purposes thereof.</p> <p>5) The Company shall also not be bound under this Article to circulate any statement, if on the application either of the Company or of any other person who claims to be aggrieved, the Company Law Board is satisfied that the rights conferred by this Article are being abused to secure needless publicity for defamatory matter.</p>

		6) Notwithstanding anything in these Articles, the business which may be dealt with at Annual General Meeting shall include any resolution for which notice is given in accordance with this Article, and for the purposes of this clause, notice shall be deemed to have been so given, notwithstanding the accidental omission in giving it to one or more Members.
Extra-Ordinary General Meeting by Board and by requisition When a Director or any two Members may call an Extra-Ordinary General Meeting	101	<p>(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of the Members as herein provided, forthwith proceed to convene Extra-Ordinary General Meeting of the Company.</p> <p>(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.</p>
Contents of requisition, and number of requisitionists required and the conduct of Meeting	102	<p>1) In case of requisition the following provisions shall have effect:</p> <p>(a) The requisition shall set out the matter for the purpose of which the Meeting is to be called and shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company.</p> <p>(b) The requisition may consist of several documents in like form each signed by one or more requisitionists.</p> <p>(c) The number of Members entitled to requisition a Meeting in regard to any matter shall be such number as hold at the date of the deposit of the requisition, not less than one-tenth of such of the paid-up share capital of the Company as that date carried the right of voting in regard to that matter.</p> <p>(d) Where two or more distinct matters are specified in the requisition, the provisions of sub-clause (c) shall apply separately in regard to each such matter and the requisition shall accordingly be valid only in respect of those matters in regard to which the conditions specified in that clause are fulfilled.</p> <p>(e) If the Board does not, within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a Meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, the Meeting may be called:</p> <p>i. by the requisitionists themselves; or</p> <p>ii. by such of the requisitionists as represent either a majority in value of the paid up share capital held by all of them or not less than one tenth of the paid-up share capital of the Company as is referred to in sub clauses (c) of clause (I) whichever is less.</p> <p>PROVIDED THAT for the purpose of this sub-clause, the Board shall, in the case of a Meeting at which a resolution is to be proposed as a Special Resolution, be deemed not to have duly convened the Meeting if they do not give such notice thereof as is required by sub-section (2) of Section 114 of the Companies Act, 2013.</p>
		<p>2) A meeting called under sub-clause (c) of clause (1) by requisitionists or any of them:</p> <p>(a) shall be called in the same manner as, nearly as possible, as that in which</p>

		<p>meeting is to be called by the Board; but</p> <p>(b) shall not be held after the expiration of three months from the date of deposit of the requisition.</p> <p>PROVIDED THAT nothing in sub-clause (b) shall be deemed to prevent a Meeting duly commenced before the expiry of the period of three months aforesaid, from adjourning to some days after the expiry of that period.</p>
		<p>3) Where two or more Persons hold any Shares in the Company jointly; a requisition or a notice calling a Meeting signed by one or some only of them shall, for the purpose of this Article, have the same force and effect as if it has been signed by all of them.</p>
		<p>4) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board to duly to call a Meeting shall be repaid to the requisitionists by the Company; and any sum repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.</p>
Length of notice of Meeting	103	<p>1) A General Meeting of the Company may be called by giving not less than twenty-one days notice inwriting.</p> <p>2) A General Meeting may be called after giving shorter notice than that specified in clause (1) hereof, if consent is accorded thereto:</p> <p>i. In the case of Annual General Meeting by all the Members entitled to vote thereat; and</p> <p>ii. In the case of any other Meeting, by Members of the Company holding not less than ninety-five percent of such part of the paid up share capital of the Company as gives a right to vote at the Meeting.</p> <p>PROVIDED THAT where any Members of the Company are entitled to vote only on some resolution, or resolutions to be moved at a Meeting and not on the others, those Members shall be taken into account for the purposes of this clause in respect of the former resolutions and not in respect of the later.</p>
Contents and manner of service of notice and persons on whom it is to be served	104	<p>1) Every notice of a Meeting of the Company shall specify the place and the day and hour of the Meeting and shall contain a statement of the business to be transacted thereat.</p> <p>2) Subject to the provisions of the Act notice of every General Meeting shall be given;</p> <p>(a) to every Member of the Company, in any manner authorized by Section 20 of the Companies Act, 2013</p> <p>(b) to the persons entitled to a Share in consequence of the death or insolvency of a Member, by sending it through post in a prepaid letter addressed to them by name or by the title of representative of the deceased, or assignees of the insolvent, or by like description, at the address, if any in India supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; and</p> <p>(c) to the Auditor or Auditors for the time being of the Company</p> <p>3) Every notice convening a Meeting of the Company shall state with reasonable prominence that a Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of himself and that a proxy need not be a Member of the Company.</p>
Special and	105	<p>1) (a) In the case of an Annual General Meeting all business to be transacted at the</p>

ordinary business and explanatory statement		<p>Meeting shall be deemed special, with the exception of business relating to</p> <ol style="list-style-type: none"> <li>i. the consideration of the accounts, balance sheet, the reports of the Board of Directors and Auditors;</li> <li>ii. the declaration of dividend;</li> <li>iii. the appointment of Directors in the place of those retiring; and</li> <li>iv. the appointment of, and the fixing of the remuneration of the Auditors, and</li> </ol> <p>(b) In the case of any other meeting, all business shall be deemed special.</p> <p>2) Where any items of business to be transacted at the Meeting of the Company are deemed to be special as aforesaid, there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item of business, including in particular the nature of the concern or interest, if any, therein of every Director.</p> <p>PROVIDED THAT where any such item of special business at the Meeting of the Company relates to or affects, any other company, the extent of shareholding interest in that other company of every Director of the Company shall also be set out in the statement, if the extent of such shareholding interest is not less than twenty percent of the paid up- share capital of the other company.</p> <p>3) Where any item of business consists of the according of approval to any document by the Meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.</p>
Omission to give notice not to invalidate Proceedings	106	The accidental omission to give such notice as aforesaid to or non-receipt thereof by any Member or other person to whom it should be given, shall not invalidate the proceedings of any such Meeting.
<b>MEETING OF MEMBERS</b>		
Notice of business to be given	107	No General Meeting, Annual or Extra-Ordinary shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the Meeting.
Quorum	108	<p>The quorum for General Meetings shall be as under:-</p> <ol style="list-style-type: none"> <li>i. five members personally present if the number of members as on the date of meeting is not more than one thousand;</li> <li>ii. fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;</li> <li>iii. thirty members personally present if the number of members as on the date of the meeting exceeds five thousand;</li> </ol> <p>No business shall be transacted at the General Meeting unless the quorum requisite is present at the commencement of the Meeting. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Companies Act, 2013. The President of India or the Governor of a State being a Member of the Company shall be deemed to be personally present if it is presented in accordance with Section 113 of the Companies Act,2013.</p>
If quorum not present when Meeting to be dissolved and when to be	109	If within half an hour from the time appointed for holding a Meeting of the Company, a quorum is not present, the Meeting, if called by or upon the requisition of the Members shall stand dissolved and in any other case the Meeting shall stand, adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday, at the same time and place or to such

adjourned		other day and at such other time and place as the Board may determine. If at the adjourned meeting also, a quorum is not present within half an hour from the time appointed for holding the Meeting, the Members present shall be a quorum and may transact the business for which the Meeting was called.
Resolution passed at adjourned Meeting	110	Where a resolution is passed at an adjourned Meeting of the Company, the resolution for all purposes is treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.
Chairman of General Meeting.	111	At every General Meeting the Chair shall be taken by the Chairman of the Board of Directors. If at any Meeting, the Chairman of the Board of Directors is not present within ten minutes after the time appointed for holding the Meeting or though present, is unwilling to act as Chairman, the Vice Chairman of the Board of Directors would act as Chairman of the Meeting and if Vice Chairman of the Board of Directors is not present or, though present, is unwilling to act as Chairman, the Directors present may choose one of themselves to be a Chairman, and in default or their doing so or if no Directors shall be present and willing to take the Chair, then the Members present shall choose one of themselves, being a Member entitled to vote, to be Chairman.
Act for resolution sufficiently done or passed by Ordinary Resolution unless otherwise required	112	Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently done so or passed if effected by an Ordinary Resolution unless either the Act or the Articles specifically require such act to be done or resolution be passed by a Special Resolution.
Business confined to election of Chairman whilst the Chair is vacant	113	No business shall be discussed at any General Meeting except the election of a Chairman whilst the Chair is vacant.
Chairman may adjourn Meeting	114	(a) The Chairman may with the consent of 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. (b) No business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place (c) 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. (d) Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned Meeting.
How questions are decided at Meetings	115	Every question submitted to a General Meeting shall be decided in the first instance by a show of hands unless the poll is demanded as provided in these Articles.
Chairman's declaration of result of voting on show of hands	116	A declaration by the Chairman of the Meeting that on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the book containing the minutes of the proceeding of the Company's General Meeting shall be conclusive evidence of the fact, without proof of the number or proportion of votes cast in favour of or against such resolution.

Demand of poll	117	.Before or on the declaration of the result of the voting on any resolution on a show of hands a poll may be ordered to be taken by the Chairman of the Meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy and holding Shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than fifty thousand rupees has been paid up. The demand for a poll may be withdrawn at any time by the Person or Persons who made the demand.
Time of taking poll	118	A poll demanded on a question of adjournment or election of a Chairman shall be taken forthwith. A poll demanded on any other question shall be taken at such time not being later than forty-eight hours from the time when the demand was made and in such manner and place as the Chairman of the Meeting may direct and the result of the poll shall be deemed to be the decision of the Meeting on the resolution on which the poll was taken.
Chairman's casting vote	119	In the case of equality of votes, the Chairman shall both on a show of hands and on a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a Member.
Appointment of scrutinizers	120	Where a poll is to be taken, the Chairman of the Meeting shall appoint two scrutinizers to scrutinise the vote given on the poll and to report thereon to him. One of the scrutinizers so appointed shall always be a Member (not being an officer or employee of the Company) present at the Meeting, provided such a Member is available and willing to be appointed. The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutineer from office and fill vacancies in the office of the scrutineer arising from such removal or from any other cause.
Demand for poll not to prevent transaction of other business	121	The demand for a poll shall not prevent transaction of other business (except on the question of the election of the Chairman and of an adjournment) other than the question on which the poll has been demanded.
Special notice	122	Where by any provision contained in the Act or in these Articles, special notice is required for any resolution, the notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the Meeting at which it is to be moved, exclusive of the day which the notice is served or deemed to be served on the day of the Meeting. The Company shall immediately after the notice of the intention to move any such resolution has been received by it, give its Members notice of the resolution in the same manner as it gives notice of the Meeting, or if that is not practicable shall give them notice thereof, either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the Meeting.
<b>VOTES OF MEMBERS</b>		
Member paying money in advance not to be entitled to vote in respect thereof	123	A Member paying the whole or a part of the amount remaining unpaid on any Share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of moneys so paid by him until the same would but for such payment become presently payable.
Restriction on exercise of	124	No Member shall exercise any voting rights in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or

voting rights of Members who have not paid calls		in regard to which the Company has exercised any right of lien.
Number of votes to which Member entitled	125	<p>Subject to the provisions of Article 123, every Member of the Company holding any equity share capital and otherwise entitled to vote shall, on a show of hands when present in person (or being a body corporate present by a representative duly authorized) have one vote and on a poll, when present in person (including a body corporate by a duly authorized representative), or by an agent duly authorized under a Power of Attorney or by proxy, his voting right shall be in proportion to his share of the paid-up equity share capital of the Company.</p> <p>Provided however, if any preference shareholder is present at any meeting of the Company, (save as provided in sub-section (2) of Section 47 of Companies Act, 2013) he shall have a right to vote only on resolutions before the Meeting which directly affect the rights attached to his preference shares.</p> <p>A Member is not prohibited from exercising his voting rights on the ground that he has not held his Shares or interest in the Company for any specified period preceding the date on which the vote is taken.</p>
Votes of Members of unsound mind	126	A Member of unsound mind, or in respect of whom 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.
Votes of joint Members	127	If there be joint registered holders of any Shares, one of such persons may vote at any Meeting personally or by an agent duly authorized under a Power of Attorney or by proxy in respect of such Shares, as if he were solely entitled there to but the proxy so appointed shall not have any right to speak at the Meeting, and if more than one of such joint holders be present at any Meeting either personally or by agent or by proxy, that one of the said persons so present whose name appears higher on the Register of Members shall alone be entitled to speak and to vote in respect of such Shares, but the other holder(s) shall be entitled to vote in preference to a person present by an agent duly authorized under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register of Members in respect of such Shares. Several executors or administrators of a deceased Member in whose name Shares stand shall for the purpose of these Articles be deemed joint holders thereof.
Representation of body corporate	128	(a) A body corporate (whether a company within the meaning of the Act or not) may, if it is a Member or creditor of the Company (including a holder of Debentures) authorize such person as it thinks fit by a resolution of its Board of Directors or other governing body, to act as its representative at any Meeting of the Company or any class of shareholders of the Company or at any meeting of the creditors of the Company or Debenture-holders of the Company. A person authorized by resolutions aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual Member, shareholder, creditor or holder of Debentures of the Company. The production of a copy of the resolution referred to above certified by a Director or the Secretary of such body corporate before the commencement of the Meeting shall be accepted by the Company as sufficient

		<p>evidence of the validity of the said representatives' appointment and his right to vote thereat.</p> <p>(b) Where the President of India or the Governor of a State is a Member of the Company, the President or as the case may be the Governor may appoint such person as he thinks fit to act as his representative at any Meeting of the Company or at any meeting of any class of shareholders of the Company and such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the President, or as the case may be, the Governor could exercise as a Member of the Company.</p>
Votes in respects of deceased or insolvent Members	129	Any person entitled under the Transmission Article to transfer any Shares may vote at any General Meeting in respect thereof in the same manner as if he was the registered holder of such Shares; provided that at least forty-eight hours before the time of holding the Meeting or adjourned Meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of the right to transfer such Shares and give such indemnity (if any) as the Directors may require unless the Directors shall have previously admitted his right to vote at such Meeting in respect thereof.
Voting in person or by proxy	130	Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorized in accordance with Section 105 of the Companies Act, 2013.
Rights of Members to use votes differently	131	On a poll taken at a Meeting of the Company a member entitled to more than one vote or his proxy, or other persons entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses
Proxies	132	Any Member of the Company entitled to attend and vote at a Meeting of the Company, shall be entitled to appoint another person (whether a Member or not) as his proxy to attend and vote instead of himself. PROVIDED that a proxy so appointed shall not have any right whatsoever to speak at the Meeting. Every notice convening a Meeting of the Company shall state that a Member entitled to attend and vote is entitled to appoint one or more proxies to attend and vote instead of himself, and that a proxy need not be a Member of the Company.
Proxy either for specified meeting or for a period	133	An instrument of proxy may appoint a proxy either for the purposes of a particular Meeting specified in the instrument and any adjournment thereof or it may appoint a proxy for the purpose of every Meeting to be held before a date specified in the instrument and every adjournment of any such Meeting.
No proxy to vote on a show of hands	134	No proxy shall be entitled to vote by a show of hands.
Instrument of proxy when to be deposited	135	The instrument appointing a proxy and the Power of Attorney or authority (if any) under which it is signed or a notarially certified copy of that Power of Attorney or authority, shall be deposited at the Registered Office of the Company atleast forty-eight hours before the time for holding the Meeting at which the person named in the instrument purposes to vote and in default the instrument of proxy shall not be treated as valid.
Form of Proxy	136	Every instrument of proxy whether for a specified Meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms as prescribed in the Companies Act, 2013, and signed by the appointer or his attorney duly authorized in writing or if the appointer is a body corporate, be under its seal or be signed by any officer or attorney

		duly authorized by it.
Validity of votes given by proxy notwithstanding revocation of authority	137	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 revocation of the proxy or of any Power of Attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received by the Company at the Registered Office before the commencement of the Meeting or adjourned Meeting at which the proxy is used provided nevertheless that the Chairman of any Meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and of the same not having been revoked.
Time for objection to vote	138	No objection shall be made to the qualification of any voter or to the validity of a vote except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered, and every vote, whether given personally or by proxy, not disallowed at such Meeting, shall be valid for all proposes and such objection made in due time shall be referred to the Chairman of the Meeting.
Chairman of any Meeting to be the judge of Validity of any value	139	The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. The decision of the Chairman shall be final and conclusive.
Custody of Instrument	140	If any such instrument of appointment is confined to the object of appointing an attorney or proxy for voting at Meetings of the Company, it shall remain permanently or for such time as the Directors may determine, in the custody of the Company. If such instrument embraces other objects, a copy thereof examined with the original shall be delivered to the Company to remain in the custody of the Company.
<b>DIRECTORS</b>		
Number of Directors	141	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Companies Act, 2013, the number of Directors shall not be less than three and not more than fifteen.
	141A	First Directors of the Company were: i. Mr. Avinash Agarwal ii. Mr. Santosh Mishra
Appointment of Directors	142	The appointment of Directors of the Company shall be in accordance with the provisions of the Act and these Articles, to the extent applicable.
Debenture Directors	143	Any Trust Deed for securing Debentures may if so arranged, provide for the appointment, from time to time by the Trustees thereof or by the holders of Debentures, of some person to be a Director of the Company and may empower such Trustees or holder of Debentures, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions contained herein.
Nominee Director or Corporation	144	(a) Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any Finance Corporation or Credit Corporation or to any Financing company or body, (which corporation or body is

Director		hereinafter in this Article referred to as “the corporation”) out of any loans granted or to be granted by them to the Company or so long as the corporation continue to hold Debentures in the Company by direct subscription or private placement, or so long as the Corporation holds Shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time any person or persons as a Director, whole time or non-whole time (which Director or Directors is/are hereinafter referred to as "Nominee Director(s)") on the Board of the Company and to remove from such office any persons so appointed and to appoint any person or persons in his/their places.
		(b) The Board of Directors of the Company shall have no power to remove from office the Nominee Director(s). Such Nominee Director(s) shall not be required to hold any Share qualification in the Company. Further Nominee Director shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Directors(s) shall be entitled to the same rights and privileges and be subject to the obligations as any other Director of the Company.
		(c) The Nominee Director(s) so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation and the Nominee Director/s so appointed in exercise of the said power, shall ipso facto vacate such office immediately on the moneys owing by the Company to the Corporation being paid off.
		(d) The Nominee Director(s) appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and all the Meetings of the Committee of which the Nominee Director(s) is/are Member(s) as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes.
		(e) The sitting fees in relation to such Nominee Director(s) shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any other fees, commission, moneys or remuneration in any form is payable to the Nominee Director of the Company, such fees, commission, moneys and remuneration in relation to such Nominee Director(s) shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director(s), in connection with their appointment or Directorship, shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Director/s provided that if any such Nominee Director/s is/are an officer(s) of the Corporation.
		Provided also that in the event of the Nominee Director(s) being appointed as Whole-time Director(s); such Nominee Director/s shall exercise such power and duties as may be approved by the lenders and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of Company. Such Nominee Director shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Corporation(s) nominated by him.
Special Director	145	(a) In connection with any collaboration arrangement with any company or corporation or any firm or person for supply of technical know-how and/or machinery or technical advice the directors may authorize such company, corporation, firm or person herein-after in this clause referred to as “collaboration” to appoint from time to time any person as director of the company (hereinafter referred to as “special

		<p>director”) and may agree that such special director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for office of such director, so however that such special director shall hold office so long as such collaboration arrangement remains in force unless otherwise agreed upon between the Company and such collaborator under the collaboration arrangements or at any time thereafter.</p> <p>(b) The collaborators may at any time and from time to time remove any such special director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as special director in his place and such appointment or removal shall be made in writing signed by such company or corporation or any partner or such person and shall be delivered to the Company at its registered office.</p> <p>(c) It is clarified that every collaborator entitled to appoint a director under this article may appoint one such person as a director and so that if more than one collaborator is so entitled there may be at any time as may special directors as the collaborators eligible to make the appointment.</p>
Limit on number of non-retiring Directors	146	The provisions of Articles 143, 144 and 145 are subject to the provisions of Section 152 of the Companies Act, 2013 and number of such Directors appointed shall not exceed in the aggregate one third of the total number of Directors for the time being in office.
Alternate Director	147	The Board may appoint, an Alternate Director recommended for such appointment by the Director (hereinafter in this Article called "the Original Director") to act for him during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meetings of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such Meetings to have and exercise all the powers and duties and authorities of the Original Director. The Alternate Director appointed under this Article shall vacate office as and when the Original Director returns to the State in which the meetings of the Board are ordinarily held and if the term of office of the Original Director is determined before he returns to as aforesaid, any provisions in the Act or in these Articles for automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not the Alternate Director.
Directors may fill in vacancies	148	The Directors shall have power at any time and from time to time to appoint any person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only up to the date to which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid. However, he shall then be eligible for re-election.
Additional Directors	149	Subject to the provisions of Section 161 of the Companies Act, 2013 the Directors shall have the power at any time and from time to time to appoint any other person to be a Director as an addition to the Board (“Additional Director”) so that the total number of Directors shall not at any time exceed the maximum fixed by these Articles. Any person so appointed as an Additional Director to the Board shall hold his office only up to the date of the next Annual General Meeting and shall be eligible for election at such Meeting.
Qualification shares	150	A Director need not hold any qualification shares.

Directors' sitting fees	151	The fees payable to a Director for attending each Board meeting shall be such sum as may be fixed by the Board of Directors not exceeding such sum as may be prescribed by the Central Government for each of the meetings of the Board or a Committee thereof and adjournments thereto attended by him. The Directors, subject to the sanction of the Central Government (if any required) may be paid such higher fees as the Company in General Meeting shall from time to time determine.
Extra remuneration to Directors for special work	152	<p>Subject to the provisions of Sections 188 and 197 of the Companies Act, 2013, if any Director, being willing, shall be called upon to perform extra services (which expression shall include work done by a Director as a Member of any Committee formed by the Directors or in relation to signing share certificate) or to make special exertions in going or residing or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Director, and such remuneration may be either in addition to or in substitution for his share in the remuneration herein provided.</p> <p>Subject to the provisions of the Act, a Director who is neither in the whole time employment nor a Managing Director may be paid remuneration either:</p> <ol style="list-style-type: none"> <li>i. by way of monthly, quarterly or annual payment with the approval of the Central Government; or</li> <li>ii. by way of commission if the Company by a Special Resolution authorized such payment.</li> </ol>
Traveling expenses incurred by Directors on Company's business	153	The Board of Directors may subject to the limitations provided by the Act allow and pay to any Director who attends a meeting of the Board of Directors or any Committee thereof or General Meeting of the Company or in connection with the business of the Company at a place other than his usual place of residence, for the purpose of attending a Meeting such sum as the Board may consider fair compensation for traveling, hotel, and other incidental expenses properly incurred by him in addition to his fees for attending such Meeting as above specified.
Director may act notwithstanding vacancy	154	The continuing Director or Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board, the Director or Directors may act for the purpose of increasing the number of Directors or that fixed for the quorum or for summoning a General Meeting of the Company but for no other purposes.
Board resolution necessary for certain contracts	155	<p>(a) Subject to the provisions of Section 188 of the Companies Act, 2013, except with the consent of the Board of Directors of the Company, a Director of the Company or his relative, a firm in which such a Director or relative is partner, any other partner in such a firm or a private company of which the Director is a member or director, shall not enter into any contract with the Company:</p> <ol style="list-style-type: none"> <li>(a) For the sale, purchase or supply of goods, materials or services; or</li> <li>(b) for underwriting the subscription of any Share in or debentures of the Company;</li> <li>(c) nothing contained in clause (a) of sub-clause (1) shall affect:- <ol style="list-style-type: none"> <li>i. the purchase of goods and materials from the Company, or the sale of goods and materials to the Company by any Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or</li> <li>ii. any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other for sale, purchase or supply of any goods, materials and services in which either the</li> </ol> </li> </ol>

		<p>Company, or the Director, relative, firm, partner or private company, as the case may be regularly trades or does business.</p> <p><b>PROVIDED THAT</b> such contract or contracts do not relate to goods and materials the value of which, or services the cost of which, exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts.</p>
		<p>(b) Notwithstanding any contained in sub-clause (1) hereof, a Director, relative, firm partner or private company as aforesaid may, in circumstances of urgent necessity, enter without obtaining the consent of the Board, into any contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or cost of such services exceeds rupees five thousand in the aggregate in any year comprised in the period of the contract; but in such a case the consent of the Board shall be obtained at a Meeting within three months of the date on which the contract was entered into.</p> <p>(c) Every consent of the Board required under this Article shall be accorded by a resolution passed at a meeting of the Board required under clause and the same shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the date on which was entered into</p>
		<p>(d) If consent is not accorded to any contract under this Article, anything done in pursuance of the contract will be voidable at the option of the Board.</p> <p>(e) The Directors, so contracting or being so interested shall not be liable to the Company for any profit realized by any such contract or the fiduciary relation thereby established.</p>
Disclosure to the Members of Directors' interest in contract appointing Managers, Managing Director or Whole-time Director	156	<p>When the Company:-</p> <p>(a) enters into a contract for the appointment of a Managing Director or Whole-time Director in which contract any Director of the Company is whether directly or indirectly, concerned or interested; or</p> <p>(b) varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 190 of the Companies Act, 2013 shall be complied with.</p>
Directors of interest General notice of disclosure	157	<p>(a) A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract entered into or to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 184 of the Companies Act, 2013.</p> <p>(b) A general notice, given to the Board by the Director to the effect that he is a director or is a member of a specified body corporate or is a member of a specified firm under Sections 184 of the Companies Act, 2013 shall expire at the end of the financial year in which it shall be given but may be renewed for a further period of one financial year at a time by fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.</p>

Directors and Managing Director may contract with Company	158	Subject to the provisions of the Act the Directors (including a Managing Director and Whole time Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or otherwise, nor shall any such contract or any contracts or arrangement entered into by or on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting be liable to account to the Company for any profit realized by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established, but it is declared that the nature of his interest shall be disclosed as provided by Section 184 of the Companies Act, 2013 and in this respect all the provisions of Section 184 and 189 of the Companies Act, 2013 shall be duly observed and complied with.
Disqualification of the Director	159	A person shall not be capable of being appointed as a Director of the Company if:- (a) he has been found to be of unsound mind by a Court of competent jurisdiction and the finding is in force; (b) he is an un-discharged insolvent; (c) he has applied to be adjudged an insolvent and his application is pending; (d) he has been convicted by a Court of any offence involving moral turpitude sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence; (e) he has not paid any call in respect of Shares of the Company held by him whether alone or jointly with others and six months have lapsed from the last day fixed for the payment of the call; or (f) an order disqualifying him for appointment as Director has been passed by a Court, unless the leave of the Court has been obtained for his appointment.
Vacation of office by Directors	160	The office of Director shall become vacant if:- (a) he is found to be of unsound mind by a Court of competent jurisdiction; or (b) he applies to be adjudged an insolvent; or (c) he is adjudged an insolvent; or (d) he is convicted by a Court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for less than six months; or (e) he fails to pay any call in respect of Shares of the Company held by him, whether alone or jointly with others within six months from the last date fixed for the payment of the call unless the Central Government, by a notification in the Official Gazette removes the disqualification incurred by such failure; or (f) absents himself from three consecutive meetings of the Board of Directors, or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board; or (g) he (whether by himself or by any person for his benefit or on his account or any firm in which he is a partner or any private company of which he is a director), accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Section 185 of the Companies Act, 2013; or (h) he being in any way whether directly or indirectly concerned or interested in a contract or arrangement or proposed contract or arrangement, entered into or to be entered into by or on behalf of the Company fails to disclose the nature of his concern or interest at a meeting of the Board of Directors as required by Section 184 of the Companies Act, 2013; or (i) he is removed by an Ordinary Resolution of the Company before the expiry of his

		<p>period of notice; or</p> <p>(j) if by notice in writing to the Company, he resigns his office, or</p> <p>(k) having been appointed as a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company.</p>
Vacation of office by Directors (contd.)	161	<p>Notwithstanding anything contained in sub-clauses (c), (d) and (i) of Article 160 hereof, the disqualification referred to in these clauses shall not take effect:</p> <p>(a) for thirty days from the date of the adjudication, sentence or order;</p> <p>(b) where any appeal or petition is preferred within thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed of; or</p> <p>(c) where within the seven days aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed of.</p>
Removal of Directors	162	<p>(a) The Company may subject to the provisions of Section 169 and other applicable provisions of the Companies Act, 2013 and these Articles by Ordinary Resolution remove any Director not being a Director appointed by the Central Government in pursuance of Section 242 of the Companies Act, 2013 before the expiry of his period of office.</p> <p>(b) Special Notice as provided by these Articles or Section 115 of the Companies Act, 2013 shall be required of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the Meeting at which he is removed.</p>
		<p>(c) On receipt of notice of a resolution to remove a Director under this Article; the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a Member of a Company) shall be entitled to be heard on the resolution at the Meeting.</p> <p>(d) where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding reasonable length) and requests their notification to Members of the Company, the Company shall, unless the representations are, received by it too late for it to do so:</p> <ol style="list-style-type: none"> <li>i. in the notice of the resolution given to the Members of the Company state the fact of the representations having been made, and</li> <li>ii. send a copy of the representations to every Member of the Company to whom notice of the Meeting is sent (before or after the representations by the Company) and if a copy of the representations is not sent as aforesaid because they were received too late\or because of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representation shall be read out at the Meeting:</li> </ol> <p>Provided that copies of the representation need not be sent or read out at the Meeting if, on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rightsconcernedbythissub-clausearebeingabusedtosecureneedlesspublicity for defamatory matter.</p>
		<p>(e) A vacancy created by the removal of the Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board, in pursuance of Article 153 or Section 161 of the Companies Act, 2013 be filled by the</p>

		<p>appointment of another Director in his place by the Meeting at which he is removed, provided special notice of the intended appointment has been given under clause (b) hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.</p> <p>(f) If the vacancy is not filled under sub-clause (e) hereof, it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable of Article 148 or Section 161 of the Companies Act, 2013 and all the provisions of that Article and Section shall apply accordingly</p> <p>Provided that the Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.\</p> <p>(g) Nothing contained in this Article shall be taken:-</p> <ol style="list-style-type: none"> <li>i. as depriving a person removed hereunder of any compensation of damages payable to him in respect of the termination of his appointment as Director, or</li> <li>ii. as derogating from any power to remove a Director which may exist apart from this Article.</li> </ol>
Interested Directors not to participate or vote in Board's proceedings	163	<p>No Director shall as a Director take part in the discussion of or vote on any contract arrangement or proceedings entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, not shall his presence count for the purpose of forming a quorum at the time of any such discussion or voting, and if he does vote, his vote shall be void.</p> <p>Provided however, that nothing herein contained shall apply to:-</p> <ol style="list-style-type: none"> <li>(a) any contract of indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company;</li> <li>(b) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely; <ol style="list-style-type: none"> <li>i. in his being: <ol style="list-style-type: none"> <li>(a) a director of such company; and</li> <li>(b) the holder of not more than shares of such number of value therein as is requisite to qualify him for appointment as a director, thereof, he having been nominated as director by the company, or</li> </ol> </li> <li>ii. in his being a member holding not more than two percent of its paid-up share capital.</li> </ol> </li> </ol>
Director may be director of companies promoted by the Company	164	<p>A Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or shareholder of such company except in so far Section 197 or Section 188 of the Companies Act, 2013 may be applicable.</p>
<b>ROTATION AND APPOINTMENT OF DIRECTORS</b>		
Rotation of Directors	165	<p>Not less than two third of the total number of Directors shall:</p> <ol style="list-style-type: none"> <li>(a) Be persons whose period of the office is liable to termination by retirement by rotation and</li> <li>(b) Save as otherwise expressly provided in the Articles be appointed by the Company in General Meeting.</li> </ol>
Retirement of	166	<p>Subject to the provisions of Articles 145 and 147, the non-retiring Directors should be</p>

Directors		appointed by the Board for such period or periods as it may in its discretion deem appropriate.
Retiring Directors	167	Subject to the provisions of Section 152 of the Companies Act, 2013 and Articles 143 to 154, at every Annual General Meeting of the Company, one- third or such of the Directors for the time being as are liable to retire by rotation; or if their number is not three or a multiple of three the number nearest to one-third shall retire from office. The Debenture Directors, Nominee Directors, Corporation Directors, Managing Directors if any, subject to Article 180, shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a "Retiring Director" means a director retiring by rotation.
Appointment of Technical or Executive Directors	168	(a) The Board of Directors shall have the right from time to time to appoint any person or persons as Technical Director or Executive Director/s and remove any such persons from time to time without assigning any reason whatsoever. A Technical Director or Executive Director shall not be required to hold any qualification shares and shall not be entitled to vote at any meeting of the Board of Directors. (b) Subject to the provisions of Section 161 of the Companies Act, 2013 if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.
Ascertainment of Directors retiring by rotation and filling of vacancies	169	Subject to Section 152 of the Companies Act, 2013 the Directors retiring by rotation under Article 167 at every Annual General Meeting shall be those, who have been longest in office since their last appointment, but as between those who became Directors on the same day, those who are to retire shall in default of and subject to any agreement amongst themselves be determined by the lot.
Eligibility for re-election	170	A retiring Director shall be eligible for re-election and shall act as a Director throughout and till the conclusion of the Meeting at which he retires.
Company to fill vacancies	171	At the General Meeting, at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.
Provision in default of appointment	172	(a) If the place of retiring Director is not so filled up and the Meeting has not expressly resolved not to fill the vacancy, the Meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place. (b) If at the adjourned Meeting also, the place of the retiring Director is not filled up and the Meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned Meeting, unless: i. at that Meeting or the previous Meeting a resolution for the re- appointment of such Director has been put to the Meeting and lost. ii. the retiring Director has by a notice in writing addressed to the Company or its Board of Directors expressed his unwillingness to be re-appointed. iii. he is not qualified or is disqualified for appointment. iv. a resolution, whether Special or Ordinary is required for his appointment or re- appointment by virtue of any provisions of the Act, or v. section 162 of the Companies Act, 2013 is applicable to the case.
Company may	173	Subject to the provisions of Section 149 and 152 of the Companies Act, 2013 the

increase or reduce the number of Directors or remove any Director		Company may by Ordinary Resolution from time to time, increase or reduce the number of Directors and may alter qualifications.
Appointment of Directors to be voted individually	174	<p>(a) No motion, at any General Meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has been first agreed to by the Meeting without any vote being given against it.</p> <p>(b) A resolution moved in contravention of clause (a) hereof shall be void, whether or not objection was taken at the time of its being so moved, provided where a resolution so moved has passed no provisions or the automatic re-appointment of retiring Directors in default of another appointment as therein before provided shall apply.</p> <p>(c) For the purposes of this Article, a motion for approving a person's appointment, or for nominating a person for appointment, shall be treated as a motion for his appointment.</p>
Notice of candidature for office of Directors except in certain cases	175	<p>1) No person not being a retiring Director shall be eligible for election to the office of Director at any General Meeting unless he or some other Member intending to propose him has given at least fourteen days' notice in writing under his hand signifying his candidature for the office of a Director or the intention of such person to propose him as Director for that office as the case may be, along with a deposit of one lakh rupees or such higher amount as may be prescribed which shall be refunded to such person or, as the case may be, to such Member, if the person succeeds in getting elected as a Director or gets more than twenty-five per cent. of total valid votes cast either on show of hands or on poll on such resolution.</p> <p>2) The Company shall inform its Members of the candidature of the person for the office of Director or the intention, of a Member to propose such person as candidate for that office in such manner as may be prescribed.</p> <p>3) Every person (other than Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 160 of the Companies Act, 2013 signifying his candidature for the office of a Director) proposed as a candidate for the office a Director shall sign and file with the Company his consent in writing to act as a Director, if appointed.</p> <p>4) A person other than:</p> <p>(a) a Director appointed after retirement by rotation or immediately on the expiry of his term of office, or</p> <p>(b) an Additional or Alternate Director or a person filling a casual vacancy in the office of a Director under Section 161 of the Companies Act, 2013 appointed as a Director or re-appointed as an additional or alternate Director, immediately on the expiry of his term of office</p> <p>shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filled with the Registrar his consent in writing to act as such Director.</p>
Disclosure by Directors of their holdings of their Shares	176	Every Director and every person deemed to be Director of the Company by virtue of Section 170 of the Companies Act, 2013 shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section. Any such notice shall be given

and debentures of the Company		in writing and if it is not given at a meeting of the Board the person giving the notice shall take all reasonable steps to secure that it is brought up and read at the next meeting of the Board after it is given.
Votes of Body Corporate	177	A body corporate, whether a company within the meaning of the Act or not, which is a member of the Company, may by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the company or at any meeting of any class of members of the company and the persons so authorized shall be entitled to exercise the same rights and power (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise as if it were an individual member of the company and the production of a copy of the Minutes of such resolution certified by a director or the copy of the Minutes of such resolution certified by a Director or the Secretary of such body corporate as being a true copy of the Minutes of such resolution shall be accepted as sufficient evidence of the validity of the said representative's appointment and of his right to vote.
<b>MANAGING DIRECTOR</b>		
Powers to appoint Managing Director	178	Subject to the provisions of Section 196 and 203 of the Companies Act, 2013 the Board may, from time to time, appoint one or more Directors to be Managing Director or Managing Directors or Whole-time Directors of the Company, for a fixed term not exceeding five years as to the period for which he is or they are to hold such office, and may, from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places. The Managing Director shall perform such functions and exercise such powers as are delegated to him by the Board of Directors of the Company in accordance with the provisions of the Companies Act, 2013 and Companies Act, 1956, to the extent applicable subject to the provisions of Section 152 of the Companies Act, 2013 the Managing Director shall not be, while he continues to hold that office, subject to retirement by rotation.
Remuneration of Managing Director	179	Subject to the provisions of Sections 196 and 197 of the Companies Act, 2013 a Managing Director shall, in addition to any remuneration that might be payable to him as a Director of the Company under these Articles, receive such remuneration as may from time to time be approved by the Company.
Special position of Managing Director	180	Subject to any contract between him and the Company, a Managing or Whole-time Director shall not, while he continues to hold that office, be subject to retirement by rotation and he shall not be reckoned as a Director for the purpose of determining the rotation of retirement of Directors or in fixing the number of Directors to retire but (subject to the provision of any contract between him and the Company), he shall be subject to the same provisions as to resignation and removal as the Directors of the Company and shall, ipso facto and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause.
Powers of Managing Director	181	The Director may from time to time entrust to and confer upon a Managing Director or Whole-time Director for the time being such of the powers exercisable under these provisions by the Directors, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions, as they think expedient and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf and from time to time, revoke, withdraw, alter, or vary all or any of such powers.
	182	The Company's General Meeting may also from time to time appoint any Managing

		Director or Managing Directors or Whole-time Director or Whole- time Directors of the Company and may exercise all the powers referred to in these Articles.
	183	Receipts signed by the Managing Director for any moneys, goods or property received in the usual course of business of the Company or for any money, goods, or property lent to or belonging to the Company shall be an official discharge on behalf of and against the Company for the money, funds or property which in such receipts shall be acknowledged to be received and the persons paying such moneys shall not be bound to see to the application or be answerable for any misapplication thereof. The Managing Director shall also have the power to sign, accept and endorse cheques on behalf of the Company.
	184	The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.
	185	Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.
Appointment and powers of Manager	186	The Board may, from time to time, appoint any person as Manager (under Section 2(53) of the Companies Act, 2013) to manage the affairs of the Company. The Board may from time to time entrust to and confer upon a Manager such of the powers exercisable under these Articles by the Directors, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient.
<b>WHOLE TIME DIRECTOR</b>		
Power to appoint Whole-Time Director and/or Whole-time Directors	187	Subject to the provisions of the Act and of these Articles, the Board may from time to time with such sanction of the Central Government as may be required by law appoint one or more of its Director/s or other person/s as Whole-Time Director or Whole-Time Directors of the Company out of the Directors/persons nominated under Article only either for a fixed term that the Board may determine or permanently for life time upon such terms and conditions as the Board may determine and thinks fit. The Board may by ordinary resolution and/or an agreement/s vest in such Whole-Time Director or Whole Time Directors such of the powers, authorities and functions hereby vested in the Board generally as it thinks fit and such powers may be made exercisable and for such period or periods and upon such conditions and subject to such restrictions as it may be determined or specified by the Board and the Board has the powers to revoke, withdraw, alter or vary all or any of such powers and/or remove or dismiss him or them and appoint another or others in his or their place or places again out of the Directors/persons nominated under Article 188 only. The Whole Time Director or Whole Time Directors will be entitled for remuneration as may be fixed and determined by the Board from time to time either by way of ordinary resolution or a Court act/s or an agreement/s under such terms not expressly prohibited by the Act.
To what provisions Whole time Directors shall	188	Subject to the provisions of Section 152 of the Companies Act, 2013 and these Articles, a Whole Time Director or Whole Time Directors shall not, while he/they continue to hold that office, be liable to retirement by rotation but (subject to the provisions of any contract between him/they and the Company) he/they shall be subject to the same

subject		provision as to resignation and removal as the other Directors and he/they shall ipso facto and immediately ceases or otherwise cease to hold the office of Director/s for any reason whatsoever save that if he/they shall vacate office whether by retirement, by rotation or otherwise under the provisions of the Act in any Annual General Meeting and shall be re-appointed as a Director or Directors at the same meeting he/they shall not by reason only of such vacation, cease to be a Whole Time Director or Whole Time Directors.
Seniority of Whole Time Director and Managing Director	189	If at any time the total number of Managing Directors and Whole Time Directors is more than one-third who shall retire shall be determined by and in accordance with their respective seniorities. For the purpose of this Article, the seniorities of the Whole Time Directors and Managing Directors shall be determined by the date of their respective appointments as Whole Time Directors and Managing Directors of the Company.
<b>PROCEEDINGS OF THE BOARD OF DIRECTORS</b>		
Meeting of Directors	190	The Directors may meet together as a Board for the dispatch of business from time to time, and unless the Central Government by virtue of the provisions of Section 173 of the Companies Act, 2013 allow otherwise, Directors shall so meet at least once in every three months and at least four such Meetings shall be held in every year. The Directors may adjourn and otherwise regulate their Meetings as they think fit. The provisions of this Article shall not be deemed to have been contravened merely by reason of the fact that the meeting of the Board which had been called in compliance with the terms of this Article could not be held for want of a quorum.
Quorum	191	<p>(a) Subject to Section 174 of the Companies Act, 2013 the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose place may be vacant at the time and any fraction contained in that one third being rounded off as one) or two Directors whichever is higher.</p> <p>PROVIDED that where at any time the number of interested Directors at any meeting exceeds or is equal to two-third of the Total Strength, the number of the remaining Directors that is to say, the number of directors who are not interested present at the Meeting being not less than two shall be, the quorum during such time.</p> <p>(b) For the purpose of clause(a)</p> <p>i. "Total Strength" means total strength of the Board of Directors of the Company determined in pursuance of the Act after deducting there from number of the Directors if any, whose places may be vacant at the time, and</p> <p>ii. "Interested Directors" mean any Directors whose presence cannot by reason of any provisions in the Act count for the purpose of forming a quorum at a meeting of the Board at the time of the discussion or vote on any matter.</p>
Procedure when Meeting adjourned for want of quorum	192	If a meeting of the Board could not be held for want of quorum then, the Meeting shall automatically stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday at the same time and place, unless otherwise adjourned to a specific date, time and place.
Chairman of Meeting	193	The Chairman of the Board of Directors shall be the Chairman of the meetings of Directors, provided that if the Chairman of the Board of Directors is not present within five minutes after the appointed time for holding the same, meeting of the Director shall choose one of their members to be Chairman of such Meeting.

Question at Board meeting how decided	194	Subject to the provisions of Section 203 of the Companies Act, 2013 questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of any equality of votes, the Chairman shall have a second or casting vote.
Powers of Board meeting	195	A meeting of the Board of Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act, or the Articles for the time being of the Company which are vested in or exercisable by the Board of Directors generally.
Directors may appoint Committee	196	The Board of Directors may subject to the provisions of Section 179 and other relevant provisions of the Companies Act, 2013 and of these Articles delegate any of the powers other than the powers to make calls and to issue debentures to such Committee or Committees and may from time to time revoke and discharge any such Committee of the Board, either wholly or in part and either as to the persons or purposes, but every Committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation(s) that may from time to time be imposed on it by the Board of Directors. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointments, but not otherwise, shall have the like force and effect, as if done by the Board.
Meeting of the Committee how to be governed	197	The meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding article. Quorum for the Committee meetings shall be two.
Circular resolution	198	(a) A resolution passed by circulation without a meeting of the Board or a Committee of the Board appointed under Article 197 shall subject to the provisions of sub-clause (b) hereof and the Act, be as valid and effectual as the resolution duly passed at a meeting of Directors or of a Committee duly called and held. (b) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation if the resolution has been circulated in draft together with necessary papers if any to all the Directors, or to all the members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee as the case may be) and to all other Directors or members of the Committee at their usual addresses in India or to such other addresses outside India specified by any such Directors or members of the Committee and has been approved by such of the Directors or members of the Committee, as are then in India, or by a majority of such of them as are entitled to vote on the resolution.
Acts of Board or Committee valid notwithstanding defect in appointment	199	All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered; that there was some defect in the appointment of one or more of such Directors or any person acting as aforesaid; or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provision contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director; provided nothing in the Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.
<b>POWERS OF THE BOARD</b>		
General powers of management	200	The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject

vested in the Board of Directors		nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid Articles, as may be prescribed by the Company in General Meeting but no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.
		<p>Provided that the Board shall not, except with the consent of the Company in General Meeting :-</p> <p>(a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole, of any such undertaking;</p> <p>(b) remit, or give time for the repayment of, any debt due by a Director,</p> <p>(c) invest otherwise than in trust securities the amount of compensation received by the Company in respect of the compulsory acquisition or any such undertaking as is referred to in clause (a) or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;</p>
		<p>(d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose;</p> <p>(e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed fifty thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Section 349 and 350 of the Act during the three financial years immediately preceding whichever is greater, provided that the Company in the General Meeting or the Board of Directors shall not contribute any amount to any political party or for any political purposes to any individual or body;</p> <p>i. Provided that in respect of the matter referred to in clause (d) and clause (e) such consent shall be obtained by a resolution of the Company which shall specify the total amount upto which moneys may be borrowed by the Board under clause (d) or as the case may be total amount which may be contributed to charitable or other funds in a financial year under clause(e)</p> <p>ii. Provided further that the expression "temporary loans" in clause (d) above shall mean loans repayable on demand or within six months from the date of the loan such as short term cash credit arrangements, the discounting of bills and the issue of other short term loans of a seasonal character, but does not include loans raised for the purpose of financing expenditure of a capital nature.</p>
Certain powers to be exercised by the Board only at Meetings	201	<p>1) Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at the meeting of the Board;</p> <p>the power to make calls, on shareholders in respect of money unpaid on their Shares,</p> <p>the power to issue Debentures,</p> <p>the power to borrow moneys otherwise than on Debentures,</p> <p>(a) the power to invest the funds of the Company, and</p>

		<p>(b) the power to make loans</p> <p>Provided that the Board may, by resolution passed at a Meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company, the powers specified in sub- clause (c),(d) and (e) to the extent specified below.</p> <p>2) Every resolution delegating the power referred to in sub-clause (1)(c) above shall specify the total amount outstanding at any one time, upto which moneys may be borrowed by the delegate.</p> <p>3) Every resolution delegating the power referred to in sub-clause (1)(d) above shall specify the total amount upto which the funds of the Company may be invested, and the nature of the investments which may be made by the delegate.</p> <p>4) Every resolution delegating the power referred to in sub-clause (1)(e) above shall specify the total amount upto which loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases.</p>
Certain powers of the Board	202	<p>Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say, power:</p> <p>1) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.</p> <p>2) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 76 and 208 of the Act.</p> <p>3) Subject to Section 292 and 297 and other provisions applicable of the Act to purchase or otherwise acquire for the Company any property, right or privileges which the Company is authorized to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.</p>
		<p>4) At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash or in share, bonds, debentures, mortgages, or other securities of the Company, and any such Shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.</p> <p>5) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.</p> <p>6) To accept from any Member, as far as may be permissible by law to a surrender of his Shares or any part thereof, on such terms and conditions as shall be agreed.</p> <p>7) To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purpose and to execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees.</p> <p>8) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the</p>

	<p>Company, and also to compound and allow time for payment or satisfaction of any debts due and of any claim or demands by or against the Company and to refer any differences to arbitration and observe and perform any awards made thereon either according to Indian law or according to foreign law and either in India or abroad and to observe and perform or challenge any award made there on.</p> <p>9) To act on behalf of the Company in all matters relating to bankruptcy and insolvency, winding up and liquidation of companies.</p> <p>10) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.</p> <p>11) Subject to the provisions of Sections 291, 292, 295, 370, 372 and all other applicable provisions of the Act, to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being Shares of this Company), or without security and in such manner as they may think fit and from time to time vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name.</p> <p>12) To execute in the name and on behalf of the Company, in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.</p>
	<p>13) To open bank account and to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose.</p> <p>14) To distribute by way of bonus amongst the staff of the Company a Share or Shares in the profits of the Company and to give to any Director, officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as a part of the working expenses of the Company.</p> <p>15) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 293(1)(e) of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.</p> <p>16) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to depreciation fund, or to an insurance fund, or as reserve fund or any special fund to meet contingencies or to repay redeemable preference shares or debentures or debenture stock, or for</p>

	<p>special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purpose referred to in the preceding clause), as the Board may in their absolute discretion, think conducive to the interest of the Company and subject to Section 292 of the Act, to invest several sums so set aside or so much thereof as required to be invested, upon such investments (other than Shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any such part thereof for the benefit of the Company, in such a manner and for such purposes as the Board in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the general reserve or reserve fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of reserve fund or division of a reserve fund and with full power to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of redeemable preference shares or debentures or debenture stock, and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however, to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper.</p>
	<p>17) To appoint, and at their discretion, remove or suspend, such general managers, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisors, research workers, laborers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties, and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think and the provisions contained in the four next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause.</p> <p>18) To appoint or authorize appointment of officers, clerks and servants for permanent or temporary or special services as the Board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require securities in such instances and of such amounts as the Board may think fit and to remove or suspend any such officers, clerks and servants. Provided further that the Board may delegate matters relating to allocation of duties, functions, reporting etc. of such persons to the Managing Director or Manager.</p> <p>19) From time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such local Boards, and to fix their remuneration or salaries or emoluments.</p> <p>20) Subject to Section 292 of the Act, from time to time and at any time to delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrow money, and to authorize the members for the time being of any such local Board, or any of them to fill up any vacancies therein and to act</p>

	<p>notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such terms and subject to such conditions as the Board may think fit, and Board may at any time remove any person so appointed, and may annul or vary any such delegation.</p>
	<p>21) At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or person to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and subject to the provisions of Section 292 of the Act) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of any company, or the shareholders, directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers authorities and discretions for the time being vested in them.</p> <p>22) Subject to Sections 294 and 297 and other applicable provisions of the Act, for or in relation to any of the matters aforesaid or, otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.</p> <p>23) From time to time to make, vary and repeal bye-laws for the regulations of the business of the Company, its officers and servants.</p> <p>24) To purchase or otherwise acquire any land, buildings, machinery, premises, hereditaments, property, effects, assets, rights, credits, royalties, business and goodwill of any joint stock company carrying on the business which the Company is authorized to carry on in any part of India.</p> <p>25) To purchase, take on lease, for any term or terms of years, or otherwise acquire any factories or any land or lands, with or without buildings and out-houses thereon, situated in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit. And in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.</p>
	<p>26) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as it may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable property of the Company, either separately or co jointly, also to insure all or any portion of the goods, produce, machinery and other articles imported or exported-by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.</p> <p>27) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.</p> <p>28) To sell from time to time any articles, materials, machinery, plants, stores and other articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</p> <p>29) From time to time to extend the business and undertaking of the Company by</p>

		<p>adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>30) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on freehold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>31) To improve, manage, develop, exchange, lease, sell, resell and re- purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>32) To let, sell or otherwise dispose of subject to the provisions of Section 293 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>33) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>34) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p>
<b>MANAGEMENT</b>		
Appointment of different categories of Key managerial personnel	203	The Company shall have the following whole-time key managerial personnel,— i. managing director, or Chief Executive Officer or manager and in their absence, ii. a whole-time director; iii. company secretary; and iv. Chief Financial Officer
Same person may be Chairperson of the Board and MD/CEO	203A	The same individual may, at the same time, be appointed as the Chairperson of the Company as well as the Managing Director or Chief Executive Officer of the Company.
<b>MINUTES</b>		
Minutes to be made	204	<p>1) The Company shall cause minutes of all proceedings of General Meeting and of all proceedings of every meeting of the Board of Directors or every Committee thereof within thirty days of the conclusion of every such meeting concerned by making entries thereof in books kept for that purpose with their pages consecutively numbered.</p> <p>2) Each page of every such books shall be initialed or signed and the last page of the record of proceedings of each Meeting in such books shall be dated and signed:</p> <p>(a) in the case of minutes of proceedings of a meeting of Board or of a Committee there of by the Chairman of the said meeting or the Chairman of the next succeeding meeting.</p>

		(b) in the case of minutes of proceeding of the General Meeting, by the Chairman of the said meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period by a Director duly authorized by the Board for the purpose.
Minutes to be evidence of the proceeds Books of minutes of General Meeting to be kept	205	(a) The minutes of proceedings of every General Meeting and of the proceedings of every meeting of the Board or every Committee kept in accordance with the provisions of Section 118 of the Companies Act, 2013 shall be evidence of the proceedings recorded therein. (b) The books containing the aforesaid minutes shall be kept at the Registered Office of the Company and be open to the inspection of any Member without charge as provided in Section 119 and Section 120 of the Companies Act, 2013 and any Member shall be furnished with a copy of any minutes in accordance with the terms of that Section.
Presumptions	206	Where the minutes of the proceedings of any General Meeting of the Company or of any meeting of the Board or of a Committee of Directors have been kept in accordance with the provisions of Section 118 of the Companies Act, 2013 until the contrary is proved, the meeting shall be deemed to have been duly called and held, all proceedings thereat to have been duly taken place and in particular all appointments of Directors or Liquidators made at the meeting shall be deemed to be valid.
<b>THE SECRETARY</b>		
Secretary	207	The Directors may from time to time appoint, and at their discretion, remove any individual, (hereinafter called “the Secretary”) to perform any functions, which by the Act are to be performed by the Secretary, and to execute any other ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company. The appointment of Secretary shall be made according to the provisions of the Companies Act, read with rules made thereunder.
The Seal, its custody and use	208	(a) The Board shall provide for the safe custody of the seal. (b) 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 one director 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.
<b>DIVIDENDS AND CAPITALISATION OF RESERVES</b>		
Division of profits	209	(a) 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 Share in the Company, dividends may be declared and paid according to the amounts of the Shares; (b) No amount paid or credited as paid on a Share in advance of calls shall be treated for the purpose of this Article as paid on the Shares.
The Company at General Meeting may declare dividend	210	The Company in General Meeting may declare dividends, to be paid to Members according to their respective rights and interest in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Companies Act, 2013 but no dividends shall exceed the amount recommended by the Board of Directors. However, the Company may declare a smaller dividend than that recommended by the Board in General Meeting.

Dividends out of profits only	211	No dividend shall be payable except out of profits of the Company arrived at the manner provided for in Section 123 of the Companies Act, 2013.
Interim Dividend	212	The Board of Directors may from time to time pay to the Members such interim dividends as in their judgment the position of the Company justifies.
Debts may be deducted	213	(a) The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists. (b) The Board of Directors may retain the dividend payable upon Shares in respect of which any person is, under the Transmission Article, entitled to become a Member or which any person under that Article is entitled to transfer until such person shall become a Member or shall duly transfer the same.
Capital paid-up in advance to carry interest, not the right to earn dividend	214	Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits.
Dividends in proportion to amounts paid-up	215	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 provided that it shall rank for dividends as from a particular date such Share shall rank for dividend accordingly.
No Member to receive dividend while indebted to the Company and the Company's right in respect thereof	216	No Member shall be entitled to receive payment of any interest or dividend or bonus in respect of his Share or Shares, whilst any money may be due or owing from him to the Company in respect of such Share or Shares (or otherwise however either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend to any Member all such sums of money so due from him to the Company.
Effect of transfer of Shares	217	A transfer of Shares shall not pass the right to any dividend declared therein before the registration of the transfer.
Dividend to joint holders	218	218. Any one of several persons who are registered as joint holders of any Shares may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares.
Dividend how remitted	219	The dividend payable in cash may be paid by cheque or warrant sent through post directly to registered address of the shareholder entitled to the payment of the dividend or in 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. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transit or for any dividend lost, to the Member or person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means.
Notice of dividend	220	Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holders of Share in the manner herein provided.

Reserves	221	The Directors may, before recommending or declaring any dividend set aside out of the profits of the Company such sums as they think proper as reserve or reserves, which shall, at the discretion of the Directors, be applicable for meeting contingencies or for any other purposes to which the profits of the Company may be properly applied 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 Directors may from time to time think fit.
Dividend to be paid within time required by law.	222	The Company shall pay the dividend, or send the warrant in respect thereof to the shareholders entitled to the payment of dividend, within such time as may be required by law from the date of the declaration unless:-where the dividend could not be paid by reason of the operation on any law; or where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with; or where there is dispute regarding the right to receive the dividend; or where the dividend has been lawfully adjusted by the Company against any sum due to it from shareholder; or where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.
Unpaid or unclaimed dividend	223	Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, to any shareholder entitled to the payment of dividend, the Company shall within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty days, to a special account to be opened by the Company in that behalf in any scheduled bank, to be called “_____ (year)Unpaid Dividend Account”. Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under section 125 of the Companies Act,2013. No unclaimed or unpaid dividend shall be forfeited by the Board.
Set-off of calls against dividends	224	Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the Members of such amount as the Meeting fixes but so that the call on each Member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend, and the dividend may, if so arranged between the Company and the Members, be set off against the calls.
Dividends in cash	225	No dividends shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalisation of the profits or reserves of the Company for the purpose of issuing fully paid up bonus Shares or paying up any amount for the time being unpaid on any Shares held by Members of the Company.
Capitalisation	226	1) The Company in General Meeting may, upon the recommendation of the Board, resolve: <ul style="list-style-type: none"> <li>(a) That is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and</li> <li>(b) That such sum be accordingly set free for distribution in the manner specified in clause amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportion.</li> </ul> 2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (3) either in or towards; <ul style="list-style-type: none"> <li>(a) paying up any amount for the time being unpaid on any Shares held by such Members respectively, or</li> </ul>

		<p>(b) paying up in full unissued Shares of the Company to be allocated and distributed, credited as fully paid up, to and amongst Members in the proportion aforesaid, or</p> <p>(c) partly in the way specified in sub clause (a) and partly in that specified in sub-clause(b)</p> <p>3) A security premium account and capital redemption reserve account may, for the purpose of this Article, only be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus shares.</p>
Board to give effect	227	The Board shall give effect to the resolution passed by the Company in pursuance of above Article.
Fractional certificates	228	<p>1) Whenever such a resolution as aforesaid shall have been passed, the Board shall;</p> <p>a. make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid Shares and</p> <p>b. Generally do all acts and things required to give effect thereto.</p> <p>2) The Board shall have full power:</p> <p>a. to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions, also</p> <p>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 thereof of the respective proportions of the profits resolved to be capitalized of the amounts remaining unpaid on their existing Shares.</p> <p>3) Any agreement made under such authority shall be effective and binding on all such Members.</p> <p>4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any question or difficulties that may arise in regard to any issue including distribution of new Shares and fractional certificates as they think fit.</p>
<b>ACCOUNTS</b>		
Books to be kept	229	<p>1) The Company shall keep at its Registered Office proper books of account as would give a true and fair view of the state of affairs of the Company or its transactions with respect to:</p> <p>a. all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place</p> <p>b. all sales and purchases of goods by the company</p> <p>c. the assets and liabilities of the Company and</p> <p>d. if so required by the Central Government, such particulars relating to utilisation of material or labour or to other items of cost as may be prescribed by the Government</p> <p>Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.</p>

		2) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of clause if proper books of account relating to the transaction effected at the branch are kept at that office and proper summarised returns, made upto date at intervals of not more than three months, are sent by the branch office to the Company at its Registered Office or the other place referred to in sub-clause(1). The books of accounts and other books and papers shall be open to inspection by any Director during business hours.
Inspection by Members	230	No Members (not being a Director) shall have any right of inspecting any account books or documents of the Company except as allowed by law or authorized by the Board.
Statements of accounts to be furnished to General Meeting	231	The Board of Directors shall from time to time in accordance with Sections 129, 133, and 134 of the Companies Act, 2013, cause to be prepared and laid before each Annual General Meeting a profit and loss account for the financial year of the Company and a balance sheet made up as at the end of the financial year which shall be a date which shall not precede the day of the Meeting by more than six months or such extended period as shall have been granted by the Registrar under the provisions of the Act.
Right of Members or others to copies of balance sheet and Auditors' report and statement under Section 136	232	<ol style="list-style-type: none"> <li>1) The Company shall comply with the requirements of Section 136 of the Companies Act, 2013.</li> <li>2) The copies of every balance sheet including the Profit &amp; Loss Account, the Auditors' Report and every other document required to be laid before the Company in General Meeting shall be made available for inspection at the Registered Office of the Company during working hours for a period of 21 days before the Annual General Meeting.</li> <li>3) A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid, as the Company may deem fit will be sent to every Member of the Company and to every trustee of the holders of any Debentures issued by the Company not less than 21 days before the date of the Meeting.</li> </ol>
Accounts to be audited	233	Once at least in every year the accounts of the Company shall be examined, balanced and audited and the correctness of the profit and loss Account and the balance sheet ascertained by one or more Auditor or Auditors.
Appointment of Auditors	234	<ol style="list-style-type: none"> <li>1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 139 to 146 of the Companies Act, 2013.</li> <li>2) The Company shall at each Annual General Meeting appoint an individual or a firm as an auditor who shall hold office from the conclusion of that meeting till the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting. The company shall place the matter relating to such appointment for ratification by members at every annual general meeting. The company shall also inform the auditor concerned of his or its appointment, and also file a notice of such appointment with the Registrar within fifteen days of the meeting in which the auditor is appointed.</li> <li>3) The company or shall not appoint or re-appoint- <ol style="list-style-type: none"> <li>(a) an individual as auditor for more than one term of five consecutive years; and</li> <li>(b) an audit firm as auditor for more than two terms of five consecutive years:</li> </ol> Provided that— <ol style="list-style-type: none"> <li>i. an individual auditor who has completed his term under clause (a) shall not be eligible for re-appointment as auditor in the same company for five years from the completion of his term;</li> <li>ii. an audit firm which has completed its term under clause (b), shall not be eligible</li> </ol> </li> </ol>

		<p>for re-appointment as auditor in the same company for five years from the completion of such term:</p> <p>4) Subject to the provisions of Clause (1) and the rules made thereunder, a retiring auditor may be re-appointed at an annual general meeting, if—</p> <p>(a) he is not disqualified for re-appointment;</p> <p>(b) he has not given the company a notice in writing of his unwillingness to be re-appointed; and</p> <p>(c) a special resolution has not been passed at that meeting appointing some other auditor or providing expressly that he shall not be re-appointed.</p> <p>5) Where at any annual general meeting, no auditor is appointed or re-appointed, the existing auditor shall continue to be the auditor of the company.</p> <p>6) Any casual vacancy in the office of an auditor shall be filled by the Board of Directors within thirty days, but if such casual vacancy is as a result of the resignation of an auditor, such appointment shall also be approved by the company at a general meeting convened within three months of the recommendation of the Board and he shall hold the office till the conclusion of the next annual general meeting.</p> <p>7) Special notice shall be required for a resolution at an annual general meeting appointing as auditor a person other than a retiring auditor, or providing expressly that a retiring auditor shall not be re-appointed, except where the retiring auditor has completed a consecutive tenure of five years or, as the case may be, ten years, as provided under Clause (3).</p>
Accounts when audited and approved to be conclusive except as to errors discovered within 3 months	235	Every account when audited and approved by a General Meeting shall be conclusive except as regards any errors discovered therein within the next three months after the approval thereof. Whenever any such error is discovered within that period, the account shall be corrected, and amendments effected by the Directors in pursuance of this Article shall be placed before the Members in General Meeting for their consideration and approval and, on such approval, shall be conclusive.
<b>DOCUMENTS AND NOTICES</b>		
To whom documents must be served or given	236	Document or notice of every Meeting shall be served or given on or to (a) every Member (b) every person entitled to a Share in consequence of the death or insolvency of a Member and (c) the Auditor or Auditors for the time being of the Company
Members bound by documents or notices served on or given to previous holders	237	Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which prior to his name and address being entered in the Register of Members shall have been duly served on or given to the person from whom he derived, his title to such Share.
Service of documents on the Company	238	A document may be served on the Company or an officer thereof by sending it to the Company or officer at the Registered Office of the Company by post under a certificate of posting or by registered post or by leaving it at its Registered Office.
Authentication of documents and proceedings	239	Save as otherwise expressly provided in the Act, a document or proceedings requiring authentication by the Company may be signed by a Director, the Managing Director, or the Secretary or other authorized officer of the Company and need not be under the Seal of the Company.

<b>REGISTERS AND DOCUMENTS</b>		
Registers and documents to be maintained by the Company	240	<p>The Company shall keep and maintain registers, books and documents required by the Act or these Articles, including the following:</p> <ul style="list-style-type: none"> <li>(a) Register of investments made by the Company but not held in its own name, as required by Section 187 of the Companies Act,2013</li> <li>(b) Register of mortgages and charges as required by Section 85 of the Companies Act, 2013 and copies of instruments creating any charge requiring registration according to Section 85 of the Companies Act, 2013.</li> <li>(c) Register and index of Members and debenture holders as required by Section 88 of the Companies Act,2013.</li> <li>(d) Foreign register, if so thought fit, as required by Section 88 of the Companies Act,2013.</li> <li>(e) Register of contracts, with companies and firms in which Directors are interested as required by Section 189 of the Companies Act, 2013.</li> <li>(f) Register of Directors and Secretaries etc. as required by Section 170 of the Companies Act, 2013.</li> <li>(g) Register as to holdings by Directors of Shares and/or Debentures in the Company as required by Section 170 of the Companies Act,2013.</li> <li>(h) Register of investments made by the Company in Shares and Debentures of the bodies corporate in the same group as required by Section 186 of the Companies Act,2013.</li> <li>(i) Copies of annual returns prepared under Section 92 of the Companies Act, 2013 together with the copies of certificates and documents required to be annexed thereto under Section 92 of the Companies Act,2013.</li> </ul>
Inspection of Registers	241	<p>The registers mentioned in clauses (f) and (i) of the foregoing Article and the minutes of all proceedings of General Meetings shall be open to inspection and extracts may be taken therefrom and copies thereof may be required by any Member of the Company in the same manner to the same extent and on payment of the same fees as in the case of the Register of Members of the Company provided for in clause (c) thereof. Copies of entries in the registers mentioned in the foregoing article shall be furnished to the persons entitled to the same on such days and during such business hours as may be consistent with the provisions of the Act in that behalf as determined by the Company in General Meeting.</p>
<b>WINDING UP</b>		
Distribution of assets	242	<p>242.If the Company shall be wound up, and the assets available for distribution among the Members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that as nearly as may be the losses shall be borne by the Members in the proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up, on the Shares held by them respectively, and if in the winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the Shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of Shares issued upon special terms and conditions.</p>
Distribution in specie or kind	243	<p>(a) If the Company shall be wound up, whether voluntarily or otherwise, the Liquidator may, with the sanction of a Special Resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company and may, with the like sanction,</p>

		<p>vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidator, with the like sanction, shall think fit.</p> <p>(b) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributions (except where unalterably fixed by the Memorandum of Association and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories, shall be determined on any contributory who would be prejudicial thereby shall have a right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to Section 494 of the Act.</p> <p>(c) In case any Shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said Shares may within ten days after the passing of the Special Resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall, if practicable act accordingly.</p>
Right of shareholders in case of sale	244	A Special Resolution sanctioning a sale to any other Company duly passed pursuant to Section 319 of the Companies Act, 2013 may subject to the provisions of the Act in like manner as aforesaid determine that any Shares or other consideration receivable by the liquidator be distributed against the Members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the Members subject to the rights of dissent and consequential rights conferred by the said sanction.
Directors and others right to indemnity	245	Every Director or officer, or servant of the Company or any person (whether an officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors, out of the funds of the Company to pay all costs, charges, losses and damages which any such person may incur or become liable to pay by reason of any contract entered into or any act, deed, matter or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act, neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, officer or Auditor or other office of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favour, or in which he is acquitted or in connection with any application under Section 463 of the Companies Act, 2013 in which relief is granted to him by the Court.
Director, officer not responsible for acts of others	246	Subject to the provisions of Section 201 of the Act, no Director, Auditor or other officer of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of the title to any property acquired by order of the Directors for and on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested for any loss or damages arising from the insolvency or tortuous act of any person, firm or Company to or with whom any moneys, securities or effects shall be entrusted or deposited or any loss occasioned by any error of judgment, omission, default or oversight on his part of for any other loss, damage, or misfortune whatever shall happen in relation to execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.

<b>SECRECY CLAUSE</b>		
Secrecy Clause	247	Every Director/Manager, Auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or any other person-employed in the business of the Company shall, if so required by the Director, before entering upon his duties, sign a declaration pledging himself, to observe a strict secrecy respecting all transactions and affairs of the Company with the Company customers and the state of the accounts with individuals and in matter thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so s far as may be necessary in order to comply with any of the provisions in these presents contained.
No Member to enter the premises of the Company without permission	248	No Member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Board of Directors or Managing Director, or to inquire discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be in expedient in the interest of the Company to disclose.
<b>GENERAL</b>		
General Power	249	Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry out such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

## **SECTION X- OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

*The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Draft Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Draft Red Herring Prospectus to be delivered to the RoC for filing and the documents for inspection referred to hereunder, may be inspected at the Registered office: 1858/1, 5th Floor, Unit 503-505, Acropolis Mall, Rajdanga Main Road, Kasba, Kolkata, West Bengal-700107, India, India from the date of filing this Draft Red Herring Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.*

#### **MATERIAL CONTRACTS**

1. Issue Agreement/ Memorandum of Understanding dated April 17, 2024 between our company and the Book Running Lead Manager.
2. Agreement dated April 17, 2024 between our company and the Registrar to the Issue.
3. Public Issue Agreement dated [●], among our Company, the Book Running Lead Manager, The Banker to the Issue/Public Issue Bank/Sponsor Bank, and the Registrar to the Issue.
4. Underwriting Agreement dated [●], between our company and the Underwriters.
5. Market making Agreement dated [●], between our company, the Book Running Lead Manager and the Market Maker.
6. Agreement among NSDL, our company and the registrar to the issue dated March 15, 2024.
7. Agreement among CDSL, our company and the registrar to the issue dated February 27, 2024.

#### **MATERIAL DOCUMENTS FOR THE ISSUE**

1. Certified true copy of Certificate of Incorporation, the Memorandum of Association and Articles of Association of our Company, as amended.
2. Resolutions of the Board of Directors dated April 12, 2024 in relation to the Issue and other related matters.
3. Shareholders' resolution dated April 16, 2024 in relation to the Issue and other related matters.
4. Consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, the Book Running Lead Manager, Registrar to the Issue, Peer review Auditor, Legal Advisor and Market Maker to act in their respective capacities.
5. Peer Review Auditors Report dated April 12, 2024 on Restated Financial Statements of our Company for the period ended December 31, 2023 and the years ended March 31, 2023, 2022 and 2021.
6. The Report dated April 18, 2024 from the Peer Reviewed Auditors of our Company, confirming the Statement of Possible Tax Benefits available to our Company and its Shareholders as disclosed in this Draft Red Herring Prospectus.
7. The Report dated April 25, 2024 by Legal Advisor to the Company confirming status of Outstanding Litigation and Material Development.
8. Copy of approval from NSE Emerge vide letter dated [●] to use the name of NSE in this offer document for listing of Equity Shares on Emerge Platform of NSE.
9. Due diligence certificate submitted to SEBI dated May 03, 2024 from Book Running Lead Manager to the Issue.
10. Certificate issued by M/s Maroti & Associates, Chartered Accountants, for Key Performance Indicators dated April 18, 2024.

*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 other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.*

***This space has been left blank intentionally.***

## SECTION XI - DECLARATION

We, hereby declare that, all the relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities Exchange Board of India Act, 1992, as the case may be, have been complied with no statement made in the Draft Red Herring Prospectus is contrary to the provisions of Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations/guidelines issued, as the case may be. We further certify that all the statements made in this Draft Red Herring Prospectus are true and correct.

<b>Signed by the Directors of our Company</b>				
S.N.	Name	Category	Designation	Signature
1.	Avinash Agarwal	Executive	Managing Director	Sd/-
2.	Sreeti Agarwal	Executive	Director	Sd/-
3.	Manisha Sureka	Non-Executive	Director	Sd/-
4.	P Signa Ram	Non-Executive	Independent Director	Sd/-
5.	Ullash Pradhan	Non-Executive	Independent Director	Sd/-
<b>Signed by the Chief Financial Officer and Company Secretary of our Company</b>				
7.	Jai Kishan Ojha	Full-time	Chief Financial Officer	Sd/-
8.	Priyanka Gupta	Full-time	Company Secretary	Sd/-

**Place: Kolkata, West Bengal**

**Date: May 03, 2024**