



Draft Prospectus

Dated: September 11, 2023

Fixed Price Issue

Please read section 26 and 28 of the Companies Act, 2013



## ELECTRO FORCE (INDIA) LIMITED

Corporate Identification Number: U51909MH2010PLC204214

Registered Office		Contact Person	Email and Telephone	Website
39/5, Village - Waliv, Taluka - Vasai East, District - Palghar, Maharashtra - 401 208, India.		Reetu Bansal Company Secretary and Compliance Officer	Email: <a href="mailto:compliance@electroforceindia.com">compliance@electroforceindia.com</a>  Tel No.: +91 22 35722456	<a href="http://www.electroforceindia.com">www.electroforceindia.com</a>
<b>PROMOTERS OF OUR COMPANY: AYESPEA HOLDINGS AND INVESTMENTS PRIVATE LIMITED AND PRAVIN KUMAR BRIJENDRA KUMAR AGARWAL</b>				
<b>DETAILS OF ISSUE TO PUBLIC</b>				
Type and Face Value of Equity Shares	Fresh Issue Size	Offer for Sale	Total Offer Size	Eligibility
Type - Fresh Issue and an Offer for Sale  Face value of Equity Shares - Rs.10	Upto 60,00,000 Equity Shares at the Issue Price of Rs.[●] each aggregating Rs [●] Lakhs	Upto 26,75,000 Equity Shares aggregating up to Rs. [●] Lakhs	Upto 86,75,000 Equity Shares at the Issue Price of Rs. [●] each aggregating Rs. [●] Lakhs	This Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended. The Issue is being made pursuant to Regulation 229 (2) of SEBI (ICDR) Regulations, as the Company's post issue paid up capital is more than Rs. 10.00 Cr.
<b>DETAILS OF SELLING SHAREHOLDER, OFFER FOR SALE AND WEIGHTED AVERAGE COST OF ACQUISITION</b>				
NAME OF SELLING SHAREHOLDER	TYPE	NUMBER OF SHARES OFFERED	WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)*	
Ayesspea Holdings and Investments Private Limited	Promoter and Selling shareholder	Upto 26,75,000 Equity Shares aggregating up to ₹ [●] Lakhs	2.87	
* As certified by the M/s. Mittal & Associates, Chartered Accountants pursuant to their certificate dated September 08, 2023.				
<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 of our Company. The face value of the Equity Shares is Rs.10/- each and the Issue Price of Rs. [●] is [●] times of the face value of the Equity Shares. The Issue Price (determined and justified by our Company in consultation with the Lead Manager) as stated under "Basis for Issue Price" beginning on page no. 88 of this Draft 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 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 the Issuer 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 this Draft Prospectus. <b>Specific attention of the investors is invited to 'Risk Factors' on page 25.</b>				
<b>OUR COMPANY'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY</b>				
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, the Selling Shareholder accepts responsibility for and confirms that the statements made or confirmed by such Selling Shareholder in this Draft Prospectus to the extent of information specifically pertaining to him and his portion of the Equity Shares offered in the Offer for Sale and assume responsibility that such statements are true and correct in all material respects and not misleading in any material respect.				
<b>LISTING</b>				
The Equity Shares offered through this Draft Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited ("Emerge Platform of NSE"). For the purpose of the Offer, the Designated Stock Exchange will be National Stock Exchange of India Limited ("NSE").				
<b>LEAD MANAGER TO THE OFFER</b>			<b>REGISTRAR TO THE OFFER</b>	
Name of the Lead Manager to the Offer  First Overseas Capital Limited	Name of Contact Person: Mala Soneji/ Rushabh Shroff  Tel. No.: +91 22 40509999 Email: <a href="mailto:mb@focl.in">mb@focl.in</a>	Name of the Registrar to the Issue  Skyline Financial Services Private Limited	Name of Contact Person: Anuj Rana  Tel No.: +91-11 40450193/197 E-mail: <a href="mailto:ipo@skylinerta.com">ipo@skylinerta.com</a>	
<b>ISSUE PROGRAMME</b>				
ISSUE OPENS ON:			[●]	
ISSUE CLOSES ON:			[●]	



## ELECTRO FORCE (INDIA) LIMITED

**Corporate Identification Number: U51909MH2010PLC204214**

Our Company was originally incorporated as “Electroforce (India) private limited” on June 14 2010 under the provision of Companies Act, 1956 issued by the Registrar of Companies, Mumbai. The status of the Company was changed to public limited and the name of our Company was changed to Electro Force (India) Limited vide Special Resolution dated April 15, 2023 pursuant to conversion of the Company into public limited Company. The fresh certificate of incorporation consequent to conversion was issued on May 11, 2023 by the Registrar of Companies, Mumbai. For further details, please refer to chapter titled “Our History and Certain Corporate Matters” beginning on page 116 of this Draft Prospectus. For further details, please refer to chapter titled “Our History and Certain Corporate Matters” beginning on page 116 of this Draft Prospectus.

**Registered Office:** 39/5, Village - Waliv, Taluka - Vasai East, District - Palghar, Maharashtra – 401 208, India ; **Tel. No:** +91-22 35722456;

**Email:** [compliance@electroforceindia.com](mailto:compliance@electroforceindia.com); **Website:** [www.electroforceindia.com](http://www.electroforceindia.com); **Contact Person:** Reetu Bansal, Company Secretary & Compliance Officer

<b>PROMOTERS OF OUR COMPANY: AYESPEA HOLDINGS AND INVESTMENTS PRIVATE LIMITED AND PRAVIN KUMAR BRIJENDRA KUMAR AGARWAL</b>	
INITIAL PUBLIC OFFERING OF 86,75,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH (“EQUITY SHARES”) OF ELECTROFORCE (INDIA) LIMITED (“OUR COMPANY” OR “THE ISSUER COMPANY”) FOR CASH AT A PRICE RS. [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF RS. [●] PER EQUITY SHARE) (“OFFER PRICE”) AGGREGATING TO RS. [●] LAKHS, THE OFFER COMPRISES FRESH ISSUE OF UP TO 60,00,000 EQUITY SHARES AGGREGATING UP TO ₹ [●] LAKHS (“FRESH ISSUE”) AND AN OFFER FOR SALE OF UP TO 26,75,000 EQUITY SHARES BY OUR SELLING SHAREHOLDER AGGREGATING UP TO ₹ [●] LAKHS (THE “SELLING SHAREHOLDER”) (THE “OFFER FOR SALE”, AND TOGETHER WITH THE FRESH ISSUE, THE “OFFER”). OUT OF WHICH [●] EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR A CASH PRICE OF RS. [●] PER EQUITY SHARE, 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 [●] EQUITY SHARES OF FACE VALUE OF RS. 10/- 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 [●] % AND [●] %, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED “TERMS OF THE ISSUE” BEGINNING ON PAGE NO. 217 OF THIS DRAFT PROSPECTUS.	
<b>THIS ISSUE IS BEING MADE IN TERMS OF CHAPTER IX OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE “SEBI (ICDR) REGULATIONS”), AS AMENDED. IN TERMS OF RULE 19(2)(b) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED, THIS IS AN ISSUE FOR AT LEAST 25% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET ISSUE TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 253 OF THE SEBI (ICDR) REGULATIONS, AS AMENDED. FOR FURTHER DETAILS, SEE “ISSUE PROCEDURE” ON PAGE 225 OF THE DRAFT PROSPECTUS.</b>	
All potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process including through UPI mode (as applicable) by providing details of the irrespective bank accounts and / or UPI IDs, in case of RIs, if applicable, which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. A copy will be delivered for registration to the Registrar of Companies as under Section 26 and Section 28 of the Companies Act, 2013. For details in this regards, specific attention is invited to “Issue Procedure” on page 225. A copy of the Prospectus will be delivered for registration to the Registrar of companies as required under Section 26 of the Companies Act, 2013.	
<b>THE FACE VALUE OF THE EQUITY SHARES IS RS. 10.00 EACH AND THE OFFER PRICE OF RS. [●] IS [●] TIME OF THE FACE VALUE</b>	
<b>RISKS IN RELATION TO THE FIRST OFFER</b>	
This being the first issue of the Issuer, there has been no formal market for the securities of our Company. The face value of the Equity Shares of our Company is ₹10.00. The Issue Price 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 or sustained trading in the Equity Shares of our Company nor 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 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 the Issuer 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 this Draft Prospectus. <b>Specific attention of the investors is invited to the statement of ‘Risk Factors’ given on page 25 under the section ‘General Risks’.</b>	
<b>OUR COMPANY’S AND SELLING SHAREHOLDER’S ABSOLUTE RESPONSIBILITY</b>	
Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, the Selling Shareholder accepts responsibility for and confirms that the statements made or confirmed by such Selling Shareholder in this Draft Prospectus to the extent of information specifically pertaining to him and his portion of the Equity Shares offered in the Offer for Sale and assume responsibility that such statements are true and correct in all material respects and not misleading in any material respect.	
<b>LISTING</b>	
The Equity Shares offered through this Draft Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited (“Emerge Platform of NSE”). 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 V (“NSE”) for using its name in the offer document for listing of our shares on the Emerge Platform of NSE. For the purpose of the Issue, the Designated Stock Exchange will be National Stock Exchange of India Limited (“NSE”). A copy of Prospectus will be delivered for registration to the Registrar of Companies as required under Section 26 and 28 of Companies Act, 2013.	
<b>LEAD MANAGER TO THE OFFER</b>	<b>REGISTRAR TO THE OFFER</b>
 <p><b>FIRST OVERSEAS CAPITAL LIMITED</b>  1-2 Bhupen Chambers, Dalal Street, Fountain,  Mumbai – 400 001, Maharashtra, India  Tel No.: +91 22 4050 9999  <b>Email:</b> mb@focl.in  <b>Investor Grievance Email:</b>  investorcomplaints@focl.in  <b>Website:</b> www.focl.in  <b>Contact Person:</b> Mala Soneji/ Rushabh Shroff  <b>SEBI Registration No:</b> INM000003671</p>	 <p><b>SKYLINE FINANCIAL SERVICES PRIVATE LIMITED</b>  D-153 A, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase - I, New Delhi-110020, India  <b>Tel. No.:</b> +91-11-40450193/197  <b>Email:</b> <a href="mailto:ipo@skylinerta.com">ipo@skylinerta.com</a>  <b>Investor Grievance Email:</b> <a href="mailto:grievances@skylinerta.com">grievances@skylinerta.com</a>  <b>Website:</b> www.skylinerta.com  <b>Contact Person:</b> Anuj Rana  <b>SEBI Registration No.:</b> INR000003241</p>
<b>OFFER PROGRAMME</b>	
<b>ISSUE OPENS ON: [●]</b>	<b>ISSUE CLOSES ON: [●]</b>

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**SECTION I – GENERAL  
DEFINITIONS AND ABBREVIATIONS**

This Draft Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rule, guideline or policy shall be to such legislation, act, regulation, rule, guideline or policy, as amended, supplemented or re-enacted from time to time.

The words and expressions used in this Draft Prospectus but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made there under.

Notwithstanding the foregoing, terms used in the sections “Statement of Possible Special Tax Benefits”, “Financial Information” and “Main Provisions of the Articles of Association” on page 71, 134, and 243 respectively, shall have the meaning ascribed to such terms in such sections.

**General Terms**

<b>Term</b>	<b>Description</b>
“Company”, “EFIL”, “Electro Force (India) Limited”, “our Company” “the Company”, “the Issuer”	Electro Force (India) Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 39/5, Village - Waliv, Taluka - Vasai East, District - Palghar, Maharashtra – 401 208, India.
“we”, “us”, or “our”	Unless the context otherwise indicates or implies, refers to our Company.

**Company Related Terms**

<b>Term</b>	<b>Description</b>
AGM	Annual General Meeting
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
Articles / Articles of Association / AoA	The Articles / Articles of Association of our Company, as amended from time to time.
Audit Committee	The Audit committee of the Board of Directors constituted in accordance with in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013. For details, see “Our Management” on page 112 of this Draft Prospectus.
Auditor / Statutory Auditor/ Peer Review Auditor	Statutory and peer review auditor of our Company, namely, M/s. Mittal Agarwal & Company, Chartered Accountants.
Board / Board of Directors	Board of Directors of our Company or a duly constituted committee thereof.
Chief Financial Officer / CFO	Chandrashekhhar Harishchandra Meher, the Chief Financial Officer of our Company.
Company Secretary and Compliance Officer	Reetu Bansal, Company Secretary and the Compliance Officer of our Company.
Director(s)	The director(s) on the Board of our Company, unless otherwise specified.
Equity Shares	Equity shares of our Company of face value of ₹ 10 each.
Equity Shareholders	Persons holding Equity shares of our Company unless otherwise specified in the context otherwise.
Executive Director(s)/ Whole-time Directors(s)	Executive Directors or Whole-time Directors(s) on our Board, as described in “ <i>Our Management</i> ”, beginning on page 112.
Group Companies	Companies (other than our Subsidiary) with which there have been related party transactions, during the last three financial years, as covered under the applicable accounting standards and other companies as considered material by the Board in accordance with the Materiality Policy.
Independent Director(s)	The independent director(s) of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013.
Key Managerial Personnel / KMP	Key management personnel of our Company in terms of the Companies Act, 2013 and the SEBI ICDR Regulations as described in the section titled “Our Management” on page 112 of this Draft Prospectus.
Materiality Policy	A policy adopted by our Company, in its Board meeting held on August 31, 2023 for identification of group companies, material creditors and material litigations.
Memorandum of Association / MoA	Memorandum of Association of our Company, as amended from time to time.

<b>Term</b>	<b>Description</b>
Nomination and Remuneration Committee	The Nomination and Remuneration committee of our Board of directors in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013. For details, see “Our Management” on page 112 of this Draft Prospectus.
Non-executive Directors	Non-executive Directors of our Company.
Promoter	Promoters of our Company, namely Ayesspea Holdings and Investments Private Limited and Pravin Kumar Brijendra Kumar Agarwal. For further details, please see the section entitled “Our Promoters and Promoter Group” on page no. 124 of this Draft Prospectus.
Promoter Group	The persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations. For details, see “Our Promoter and Promoter Group” on page no 124 of this Draft Prospectus.
Registered Office	The registered office of our Company situated at 39/5, Village - Waliv, Taluka - Vasai East, District - Palghar, Maharashtra – 401 208, India.
Registrar of Companies/ RoC	The Registrar of Companies, Maharashtra at Mumbai
Restated Financial Statements /Restated Financial Information	The restated financial information of our Company, comprising of the restated balance sheet as at March 31, 2023, March 31, 2022 and March 31, 2021, and the restated statement of profit and loss (including other comprehensive income), and restated statement of cash flows and restated statement of changes in equity for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, together with its notes, annexures and schedules are derived from our audited financial statements as at for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, and restated in accordance with requirements of Section 26 of Part I of Chapter III of Companies Act, SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by ICAI., as amended. For details, see “Financial Information” on page no. 134 of this Draft Prospectus.
Selling Shareholder	The selling shareholder being, Ayesspea Holdings and Investments Private Limited
Shareholders	Shareholders of our Company, from time to time.
SME Exchange	Unless the context otherwise requires, refer to the Emerge Platform of NSE
Stakeholders’ Relationship Committee	The Stakeholders’ Relationship Committee of our Board of Directors in accordance with Regulation 20 of the SEBI Listing Regulations. For details, see “Our Management” on page no.112 of this Draft Prospectus.

#### Issue Related Terms

<b>Term</b>	<b>Description</b>
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form.
Allot/Allotment/ Allotted	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue to the successful applicants, including transfer of the Equity Shares pursuant to the Issue to the successful applicants.
Allotment Advice	Note, advice or intimation of Allotment sent to the Applicants 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.
Applicant(s)	Any prospective investor who makes an Application pursuant to the terms of the Draft Prospectus and the Application Form and unless otherwise stated or implied includes an ASBA Applicant.
Application Supported by Blocked Amount/ASBA	An application, whether physical or electronic, used by ASBA Applicant to make an Application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB. ASBA is mandatory for all Applicants participating in the Issue.
ASBA Account	A bank account linked with or without UPI ID, maintained with an SCSB and specified in the ASBA Form submitted by the Applicants for blocking the Application Amount mentioned in the ASBA Form.
ASBA Applicant(s)	Any prospective investor who makes an Application pursuant to the terms of the Draft Prospectus and the Application Form including through UPI mode (as applicable).
ASBA Form	An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by the ASBA Applicant and which will be considered as an application for Allotment in terms of the Draft Prospectus.

Term	Description
ASBA Bid	A Bid made by ASBA Bidder
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms i.e. Designated SCSB Branch for SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Banker(s) to the Issue	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Public Issue Account will be opened, in this case being [●].
Basis of Allotment	Basis on which the Equity Shares will be Allotted to successful Applicants under the Issue and which is described in “Issue Procedure” on page <b>Error! Bookmark not defined.</b> of this Draft Prospectus.
Applicant(s)	Any prospective investor who makes an Application pursuant to the terms of the Draft Prospectus and the Application Form and unless otherwise stated or implied includes an ASBA Applicant.
Bidding Centers	The centers at which the Designated Intermediaries shall accept the Application Forms i.e. Designated Branches for SCSBs, Specified Locations for Members of the Syndicate, Broker Centers for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Broker Centers	Broker centers notified by the Stock Exchanges, where Applicants can submit the ASBA Forms to a Registered Broker. The details of such Broker Centers, along with the names and contact details of the Registered Brokers are available on the website of the Stock Exchange and are updated from time to time.
Client ID	Client identification number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant(s)/ CDP(s)	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 as per the list available on the website of NSE ( <a href="http://www.nseindia.com">www.nseindia.com</a> ).
Controlling Branches	Such branches of SCSBs which coordinate Applications under the Issue with the LM, the Registrar and the Stock Exchange, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation, Bank Account details and UPI ID (if applicable).
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms and in case of RIIs only ASBA Forms with UPI. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange.
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public Issue 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 Issue Account or the Refund Account, as the case may be, in terms of the Draft Prospectus following which Equity Shares will be Allotted in the Issue.
Designated Intermediaries / Collecting Agent	In relation to ASBA Forms submitted by RIIs authorising 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 RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the websites of the Stock Exchange.
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

<b>Term</b>	<b>Description</b>
	website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> . Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange	National Stock Exchange of India Limited
DP ID	Depository Participant's identity number
Designated Market Maker	[●] will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI ICDR Regulations.
Draft Prospectus/DP	This Draft Prospectus dated September 11, 2023 issued in accordance with SEBI ICDR Regulation.
Eligible NRI(s)	An NRI(s) from such a jurisdiction outside India where it is not unlawful to make an Issue or invitation under this Issue and in relation to whom the Application Form and the Draft Prospectus will constitute an invitation to purchase the equity shares.
Electronic Transfer of Funds	Refunds through ECS (Electronic Clearing Services), NEFT, Direct Credit or RTGS as applicable.
Eligible QFIs	QFIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Draft Prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Equity Listing Agreements	The listing agreements to be entered into by our Company with the Stock Exchange in relation to our Equity Shares.
Escrow Account(s)	Account(s) opened with the Banker(s) to the Issue pursuant to Escrow and Sponsor Bank Agreement.
Escrow Agent	[●]
Escrow Agreement	Agreement dated [●] entered into amongst the Company, Lead Manager, the Registrar and the Banker to the Issue and Sponsor Bank to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom Escrow Account(s) will be opened, in this case being [●].
First Applicant	The Applicant whose name appears first in the Application Form or the Revision Form and in case of a joint Application and whose name shall also appear as the first holder of the beneficiary account held in joint names or any revisions thereof.
Fraudulent Borrower	A company or person, as the case may be, categorised as a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on fraudulent borrowers issued by the RBI and as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
General Information Document/ GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI 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, circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018, circular no. (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, circular no. (SEBI/HO/CFD/DCR2/CIR/P/2019/133) dated November 8, 2019 and circular no. (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020, issued by SEBI. The General Information Document is available on the websites of the Stock Exchanges and the LM
KPI	Key Performance Indicators
Lead Manager/ LM	The lead manager to the Issue, being First Overseas Capital Limited.
Lot Size	The Market lot and Trading lot for the Equity Share is [●] and in multiples of [●] thereafter; subject to a minimum allotment of [●] Equity Shares to the successful applicants.
Market Maker	Market Maker of the Company, in this case being [●]
Market Maker Reservation Portion	The Reserved portion of [●] Equity shares of ₹ 10/- each at an Issue Price of ₹ [●] aggregating to ₹ [●] lakhs for Designated Market Maker in the Public Issue of our Company.
Market Making Agreement	The Agreement among the Market Maker, the Lead Manager and our Company dated [●].

Term	Description
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism.
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of [●] equity Shares of face value of ₹10/- each fully paid for cash at a price of ₹ [●] per Equity Share (the "Issue Price"), including a share premium of ₹ [●] per equity share aggregating to ₹ [●] Lakhs
Net Proceeds	Proceeds of the Issue less our Company's share of Issue related expenses. For further information about the Issue related expenses, see "Objects of the Issue" on page 65 of this Draft Prospectus.
Non-Institutional Applicant / Investors	All Applicants, including FPIs which are individuals, corporate bodies and family offices, that are not QIBs or RIIs and who have Application for Equity Shares for an amount of more than ₹2.00 Lakhs (but not including NRIs other than Eligible NRIs)
Non-Resident/ NR	A person resident outside India, as defined under FEMA and includes a non-resident Indian, FPIs and FVCIs.
NSE Emerge	The Emerge platform of National Stock Exchange of India Limited, approved by SEBI as an SME Exchange for listing of equity shares Issued under Chapter IX of the SEBI (ICDR) Regulations, 2018.
Offer Price	The price at which the Equity Shares are being offered by our Company and the Selling Shareholder in consultation with the Lead Manager under this Draft Prospectus being ₹ [●] per Equity share.
Offer for Agreement /agreement with selling shareholder	The Offer Agreement dated September 08, 2023 amongst our Company, the selling shareholder and the LM, pursuant to which certain arrangements have been agreed to in relation to the offer.
Offer / Offer Size/ Initial Public Offering/ IPO	The Initial Public Offer upto 86,75,000* Equity Shares of face value of ₹10/- each for a cash price of ₹ [●] each (including a share premium of ₹ [●] each), comprising of the Fresh Issue of up to 60,00,000* Equity Shares aggregating up to ₹ [●] lakhs and the Offer for Sale upto 26,75,000 Equity Shares aggregating up to ₹ [●] lakhs by the Selling Shareholder. *subject to the finalisation of Basis of allotment
Offer for Sale (OFS)	Upto 26,75,000 Equity Shares at ₹ [●] per share aggregating up to ₹ [●] lakhs by the Selling Shareholder
Offer Proceeds	The proceeds of the offer, which shall be available to our Company. For further information about use of the offer Proceeds, see "Objects of the offer" on page [●] of this Draft Prospectus.
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions.
Prospectus	The Draft 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 Bankers to the Issue for the purpose of transfer of monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Public Issue Account Bank	A bank which is a clearing member and registered with SEBI as a banker to an issue and with which the Public Issue Account for collection of Application Amounts from Escrow Account(s) and ASBA Accounts will be opened, in this case being [●].
Pricing Date	The date on which our Company, in consultation with the Managers, will finalize the Issue Price
Qualified Foreign Investors / QFIs	Non-resident investors other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs who meet 'know your client' requirements prescribed by SEBI.
Qualified Institutional Buyers / QIBs	Qualified Institutional Buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Members of the Syndicate and having terminals at any of the Broker Centres and eligible to procure Applications in terms of Circular No. CIR/CFD/14/2012 dated October 04, 2012 and the UPI Circulars issued by SEBI.



<b>Term</b>	<b>Description</b>
Registrar Agreement	The registrar agreement dated September 08, 2023 between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents/ RTAs	The registrar and the share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the UPI Circulars issued by SEBI as per the list available on the website of NSE.
Registrar to the Issue / Registrar	Skyline Financial Services Pvt Ltd having its office at D-153A, 1 <sup>st</sup> Floor, Okhla Industrial Area, Phase -I, New Delhi - 110 020, India.
Retail Individual Investors	Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000.
Retail Portions	Portion of the Issue being not less than 50% of the Net Issue consisting of [●] Equity Shares which shall be available for allocation to RIBs (subject to valid Bids being received at or above the Issue Price), which shall not be less than the minimum Bid Lot subject to availability in the Retail Portion, and the remaining Equity Shares to be Allotted on a proportionate basis
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the Applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s). QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Applications (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Applicants can revise their Application during the Issue Period and withdraw their Applications until Issue Closing Date.
Refund account	Account to be opened with the Refund Bank, from which refunds, if any, of the whole or part of the Bid Amount to the Bidders shall be made
Refund Bank	Bank which is a clearing member and registered with SEBI as a banker to an issue under the SEBI BTI Regulations and with whom the Refund Account will be opened, in this case being [●].
Self-Certified Syndicate Banks or SCSBs	The banks registered with SEBI, offering services (i) in relation to ASBA (other than through UPI mechanism), a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> , as applicable, or such other website as updated from time to time, and (ii) in relation to ASBA (through UPI mechanism), a list of which is available on the website of SEBI at <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> or such other website as updated from time to time.
Sponsor Bank	A Banker to the Issue which is registered with SEBI and is eligible to act as a Sponsor Bank in a public issue in terms of applicable SEBI requirements and has been appointed by the Company, in consultation with the LM to act as a conduit between the Stock Exchanges and NPCI to push the UPI Mandate Request in respect of RIIs as per the UPI Mechanism, in this case being [●].
Systemically Important Non-Banking Financial Companies	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations.
TRS/Transaction Registration Slip	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the Applicant, as proof of registration of the Application.
Underwriters	[●]
Underwriting Agreements	The agreement dated [●] entered into among the Underwriters and our Company prior to the filing of the Draft Prospectus with the RoC.
Unified Payment Interface or UPI	Unified Payment Interface is an instant payment system developed by National Payments Corporation of India, which enables merging several banking features, seamless fund routing and merchant payments into one hood. It allows instant transfer of money between any two persons' bank accounts using a payment address which uniquely identifies a persons' bank account.
UPI	Unified Payment Interface.
UPI Circulars / SEBI UPI Circulars	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019,

<b>Term</b>	<b>Description</b>
	SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, March 2021 Circular, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, June 2021, April 5, 2022 Circular, April 20, 2022 Circular, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, SEBI circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023 and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI.
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI application and by way of a SMS directing the RIB to such UPI application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
UPI Mechanism	Process for applications by RIBs submitted with intermediaries with UPI as mode of payment, in terms of the UPI Circulars.
UPI PIN	Password to authenticate UPI transaction.
Willful Defaulter	Willful defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations
Working Day	Any day, other than the second and fourth Saturdays of each calendar month, Sundays and public holidays, on which commercial banks in Mumbai are open for business; provided however, with reference to (i) announcement of Price Band; and (ii) Issue Period, "Working Day" shall mean any day, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and with reference to (iii) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI circular number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, including the UPI Circulars.

#### Conventional and General Terms and Abbreviations

<b>Term</b>	<b>Description</b>
AGM	Annual General Meeting
AIF(s)	Alternative Investment Funds
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
CAGR	Compounded Annual Growth Rate.
Category I AIF	AIFs which are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations.
Category II AIF	AIFs which are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations.
Category III AIF	AIFs which are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulation.
Category I FPI(s)	FPIs who are registered as "Category I foreign portfolio investors" under the SEBI FPI Regulations.
Category II FPI(s)	FPIs who are registered as "Category II foreign portfolio investors" under the SEBI FPI Regulations
Category III FPIs	FPIs who are registered as Category III FPIs under the SEBI FPI Regulations, and shall include all other FPIs not eligible under category I and II foreign portfolio investors, such as endowments, charitable societies, charitable trusts, foundations, corporate bodies, trusts, individuals and family offices.
CDSL	Central Depository Services (India) Limited.
CFO	Chief Financial Officer
CIN	Corporate Identification Number
CIT	Commissioner of Income Tax
CLRA	Contract Labour (Regulation and Abolition) Act, 1970.
Companies Act	Companies Act, 1956 and / or the Companies Act, 2013 as applicable.
Companies Act 1956	Companies Act, 1956, and the rules thereunder (without reference to the provisions thereof that have ceased to have effect upon the notification of the Notified Sections).
Companies Act 2013	Companies Act, 2013, read with the rules, regulations, clarifications and modifications thereunder.

<b>Term</b>	<b>Description</b>
Consolidated FDI Policy	The consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
CRAR	Capital to Risk Asset Ratio
CSR	Corporate social responsibility
Depository(ies)	NSDL and CDSL, both being depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996.
DP or Depository Participant	A depository participant as defined under the Depositories Act
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI
DP ID	Depository Participant's Identity Number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Term Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion)
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
EGM	Extraordinary General Meeting
EMERGE	The SME platform of NSE India Limited
EPF Act	Employees' Provident Fund and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ESI Act	Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Regulations	The Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 duly amended
Financial Year/Fiscal	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI FPI Regulations, provided that any FII who holds a valid certificate of registration shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GAAR	General Anti-Avoidance Rules
GDP	Gross Domestic Product
GoI / Government	The Government of India
GST	Goods and services tax
HUF(s)	Hindu Undivided Family(ies)
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act / IT Act	Income Tax Act, 1961
Ind AS	The Indian Accounting Standards referred to in the Companies (Indian Accounting Standard) Rules, 2015, as amended
Ind AS Rules	Companies (Indian Accounting Standards) Rules, 2015, as amended
India	Republic of India
Indian GAAP	Generally Accepted Accounting Principles in India
INR or ₹ or Rs. Or Indian Rupees	Indian Rupee, the official currency of the Republic of India.
IPO	Initial public offering
IRDAI	Statutory body constituted under the Insurance Regulatory and Development Authority Act, 1999
IRR	Internal rate of return
IMPS	Immediate Payment Service
IST	Indian Standard Time
Insolvency Code	Insolvency and Bankruptcy Code, 2016

<b>Term</b>	<b>Description</b>
ISIN	International Securities Identification Number
IT	Information Technology
KMP	Key Managerial Person
KYC	Know your customer
KPI	Key Performance Indicator
Lacs	Lakhs
LIBOR	London Inter-Bank Offer Rate
MCA	The Ministry of Corporate Affairs, GoI
MSME	Micro, Small, and Medium Enterprises
Mn / mn	Million
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NACH	National Automated Clearing House, a consolidated system of ECS.
NAV	Net Asset Value
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
NRO	Non-resident ordinary account
NRI	Non Resident Indian
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
NPCI	National Payments Corporation of India
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue.
p.a.	Per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent account number
PAT	Profit after tax
PIO	Person of Indian Origin
Payment of Bonus Act	Payment of Bonus Act, 1965
Payment of Gratuity Act	Payment of Gratuity Act, 1972
RBI	The Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
Regulation S	Regulation S under the Securities Act
RTI	Right to Information, in terms of the Right to Information Act, 2005
RTGS	Real Time Gross Settlement
Rule 14A	Rule 14A under the Securities Act
₹/Rs./ Rupees/ Indian Rupees	The lawful currency of India
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SARFAESI Act	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI Depository Regulations	Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014

<b>Term</b>	<b>Description</b>
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI Ind AS Transition Circular	SEBI Circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
SEBI Merchant Bankers Regulation	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Securities Act	The United States Securities Act of 1933.
Stamp Act	The Indian Stamp Act, 1899
STT	Securities Transaction Tax
SME	Small and Medium Enterprises
State Government	The government of a state in India
Trademarks Act	Trademarks Act, 1999
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TAN	Tax deduction account number
TDS	Tax deducted at source
US\$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
U.S. Holder	A beneficial owner of Equity Shares that is for United States federal income tax purposes: (a) an individual who is a citizen or resident of the United States; (b) a corporation organised under the laws of the United States, any state thereof or the District of Columbia; (c) an estate whose income is subject to United States federal income taxation regardless of its source; or (d) a trust that (1) is subject to the primary supervision of a court within the United States and the control of one or more U.S. persons for all substantial decisions of the trust, or (2) has a valid election in effect under the applicable U.S. Treasury regulations to be treated as a U.S. person
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value Added Tax
VCFs	Venture Capital Funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be
w.e.f.	With effect from
Year/Calendar Year	Unless context otherwise requires, shall refer to the twelve month period ending December 31

### Explanation for KPI metrics

<b>KPI</b>	<b>Explanations</b>
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Total income	Total income is used by the management to track revenue from operations and other income
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.
Net Worth	Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.

### Industry Related Terms

<b>Term</b>	<b>Description</b>
EMDE	Emerging Market and Developing Economy
GDP	Gross Domestic Production
RBI	Reserve Bank of India
US	United States of America
ECLGS	Emergency Credit Linked Guarantee Scheme
MSME	Micro, Small, and Medium Enterprises
GST	Goods and Services Tax
UNDP	United Nations Development Programme
NFHS	National Family Health Survey
ESDM	Electronics System Design and Manufacturing
VLSI	Very Large-Scale Integration
CAGR	Compound Annual Growth Rate
FDI	Foreign Direct Investment
MEITY	Ministry of Electronics and Information Technology
EP	Electropreneur Park
STPI	Software Technology Parks of India
MoU	Memorandum of Understanding
EMC	Electronics Manufacturing Cluster
KOTRA	Korea Trade-Investment Promotion Agency
R&D	Research and Developments

## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

### Certain Conventions

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

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

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

### Financial Data

Unless stated otherwise or the context otherwise requires, the financial information and financial ratios in this Draft Prospectus has been derived from our Restated Financial Information. For further information, please see the section titled “Financial Information” on page 134 of this Draft Prospectus.

Our Company’s financial year commences on April 01 and ends on March 31 of the next year. Accordingly, all references to a particular financial year, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year.

The Restated Financial Statements of our Company for the Financial Years ended March 2023, 2022 and 2021 which comprise restated summary statement of assets and liabilities, the restated summary statement of profit and loss, the restated summary statement of cash flow and restated summary statement of changes in equity together with the annexures and notes thereto and the examination report thereon, as compiled from the Indian GAAP financial statements for respective period/year and in accordance with the requirements provided under the provisions of the Companies Act, SEBI ICDR Regulations and the Guidance Note on “Reports in Company Prospectuses (Revised 2019)” issued by ICAI.

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

Unless the context otherwise indicates, any percentage amounts, as set forth in “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 21, 80 and 134 respectively, of this Draft Prospectus, and elsewhere in this Draft Prospectus have been calculated on the basis of the Restated Financial Statements of our Company, prepared in accordance with Indian GAAP, and the Companies Act and restated in accordance with the SEBI ICDR Regulations.

In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all the percentage figures have been rounded off to two decimal places including percentage figures in “Risk Factors”, “Industry Overview” and “Our Business” on pages 21, 80 and 88 respectively, this Draft Prospectus.

### Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India; and
- “USD” or “US\$” or “\$” are to United States Dollar, the official currency of the United States of America.

Our Company has presented all numerical information in is Draft Prospectus in “lacs” units or in whole numbers where the numbers have been too small to represent in lacs. One lac represents 1,00,000 and one million represents 10,00,000.

Exchange rates

This Draft Prospectus contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a

representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

#### Industry and Market Data

Unless stated otherwise, the industry and market data and forecasts used throughout this Draft Prospectus has been obtained from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Further, the extent to which the industry and market data presented in this Draft 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. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI ICDR Regulations, "Basis for Issue Price" on page 71 of this Draft Prospectus includes information relating to our peer group entities. Such information has been derived from publicly available sources, and neither we, nor the LM have independently verified such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "Risk Factors" on page 21 of this Draft Prospectus.



## FORWARD - LOOKING STATEMENTS

This Draft Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “propose”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. These forward-looking statements, whether made by us or a third party, are based on our current plans, estimates and expectations and actual results may differ materially from those suggested by such forward-looking statements.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

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

- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Uncertainty regarding the market, land prices, economic conditions and other factors beyond our control;
- Inability to identify or effectively respond to consumer needs, expectations or trends in a timely manner;
- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various projects;
- Volatility of Loan interest rates and inflation;
- Our ability to respond to technological changes;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in government policies and regulatory actions that apply to or affect our business;
- The performance of the financial markets in India and globally;
- The occurrence of natural disasters or calamities; and
- Failure to successfully upgrade our products and service portfolio, from time to time.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” beginning on pages 21, 80 and 134, respectively, of this Draft Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect current views as of the date of this Draft Prospectus and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Promoters, the Syndicate nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company, the Promoters and the Lead Manager will ensure that the Bidders in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange for the Issue.

## SECTION II - OFFER DOCUMENT SUMMARY

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Prospectus, including the sections entitled “*Risk Factors*”, “*Industry Overview*”, “*Outstanding Litigation and Material Developments*”, “*Our Promoters and Promoter Group*”, “*Restated Financial Statements*”, “*Objects of the Issue*”, “*Our Business*”, “*Issue Procedure*” and “*Description of Equity Shares and Terms of Articles of Association*” on pages 21,80,180,124,134,65, **Error! Bookmark not defined.** and 243, respectively.

### Summary of Industry

The Indian electronics system design and manufacturing (ESDM) sector is one of the fastest growing sectors in the economy and is witnessing a strong expansion in the country. The ESDM market in India is well known internationally for its potential for consumption and has experienced constant growth.

The ESDM market in India is well known internationally for its potential for consumption and has experienced constant growth. Indian manufacturers are attracting the attention of multinational corporations due to shifting global landscapes in electronics design and manufacturing capabilities, as well as cost structures. Companies from all over the world are striving to develop local capacities in India not only to serve the domestic market but also to cater to international markets.

The Electronics System Design & Manufacturing (ESDM) industry includes electronic hardware products and components relating to information technology (IT), office automation, telecom, consumer electronics, aviation, aerospace, defence, solar photovoltaic, nano electronics and medical electronics. The industry also includes design-related activities such as product designing, chip designing, Very Large-Scale Integration (VLSI), board designing and embedded systems.

India witnessed a substantial spike in demand for electronic products in the last few years; this is mainly attributed to India’s position as second-largest mobile phone manufacturer worldwide and surge in internet penetration rate. The Government of India attributes high priority to electronics hardware manufacturing, as it is one of the crucial pillars of Make in India, Digital India and Start-up India programmes.

The Electronics System Design & Manufacturing (ESDM) sector plays a vital role in the government’s goal of generating US\$ 1 trillion of economic value from the digital economy by 2025. With various government initiatives aiming to boost domestic manufacturing, India has already started witnessing initial movement with increased production and assembly activities across products such as mobile phones and other consumer electronics.

(Source: <https://www.ibef.org/industry/electronics-system-design-manufacturing-esdm>)

For further details, please refer chapter titled “*Industry Overview*” on page 80 of this Draft Prospectus.

### Summary of Business

Our Company was originally incorporated as “Electro Force (India) private limited” on June 14, 2010 vide certification of incorporation bearing Corporate Identity No. U51909MH2010PTC204214 under the provision of Companies Act, 1956 issued by the Assistant Registrar of Companies, of Mumbai. The status of the Company was changed to public limited and the name of our Company was changed to Electro Force (India) Limited vide Special Resolution dated April 15, 2023 pursuant to conversion of the Company into public limited Company. The fresh certificate of incorporation consequent to conversion was issued on May 11, 2023 by the Registrar of Companies, Mumbai. Subsequently, the Company was converted into Public Limited Company vide a fresh certificate of incorporation issued by Registrar of Companies, Mumbai consequent upon conversion from Private Limited to Public Company dated May 11, 2023 to its present name of Electro Force (India) limited with the Corporate Identification Number U51909MH2010PLC204214.

We are an ISO 9001:2015-certified company that designs and manufactures electrical components, metal / plastic contact parts, and supplies these products to the industry players via a business-to-business (B2B) model. Our company started in the year 2010 as Electro Force (India) Pvt Ltd. Since inception, our Company has been a supplier of high grade precision metal electrical contact Parts and components, connectors and assemblies for applications in electronics, lighting, switchgear and allied industries in India.

Our manufacturing unit is located at Vasai in Maharashtra. We offer end-to-end product solutions to our customers under the B2B model wherein we provide services ranging from designing, manufacturing, quality testing and packaging to logistics. We also offer products in the intermediate stages to many of our customers. Our main focus has been on offering integrated services, mostly to Indian manufacturers of electrical components. We have the ability to perform precision metal stamping, assembly, and moulding. We believe that a team of committed qualified and

trained experts have led to the success of our Company and while our products conform to high quality standards, what has distinguished us more than our competitors has been our ability to respond quickly, reliably and accurately to customer's needs.

We specialize in designing & manufacturing of precision sheet metal components, high speed metal stamping components, plastic injection mouldings, insert and over moulding, sub-assemblies and value added services for diverse industries like electronics, lighting and other engineering industries in India. We believe that we have well-known and reputed customers based in India. For the electrical components sector, we provide complete design and production solutions. As a result, we are capable of producing the majority of above items from the initial stages of concept and design all the way through to final delivery to the customer.

For further details, please refer chapter titled "Our Business" on page 80 of this Draft Prospectus.

### 1. Promoters

Ayesspea Holdings and Investments Private Limited and Pravin Kumar Brijendra Kumar Agarwal are the Promoters of our Company. For further details please refer the chapter titled "Our Promoters and Promoter Group" beginning on page 129 of this Draft Prospectus.

### 2. The Offer Size

The following table summarizes the details of the Offer size. For further details, see "The Offer" and "Offer Structure" on pages 40 and 65, respectively.

<b>Offer<sup>(1)(2)</sup> of which</b>	Up to 86,75,000* Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] lakhs
<b>(i) Fresh Issue<sup>(1)</sup></b>	Up to 60,00,000* Equity Shares aggregating up to ₹ [●] lakhs
<b>(ii) Offer for Sale<sup>(2)</sup></b>	Up to 26,75,000 Equity Shares aggregating up to ₹ [●] lakhs by the Promoter and Selling Shareholder

\*Subject to finalization of the Basis of Allotment

(1) The Offer has been authorized by a resolution of our Board dated August 31, 2023 and by a special resolution of our Shareholders, dated September 01, 2023.

(2) The Equity Shares offered by the Selling Shareholder are eligible for being offered for sale pursuant to the Offer for Sale in terms of the SEBI ICDR Regulations. Selling Shareholder have specifically confirmed that its respective portion of the Offered Shares are eligible to be offered for sale in the Offer in accordance with the SEBI ICDR Regulations. The value of the Offered Shares and the percentage of the pre-Offer shareholding being offered in the Offer for Sale by each of the Selling Shareholders is set forth below:

Name of Selling Shareholder	Number of shares Offered	Percentage of pre-Offer shareholding
Ayesspea Holdings and Investments Private Limited	Up to 26,75,000	15.37%

The Offer and Net Offer will constitute [●] % and [●] % of the post-Offer paid-up Equity Share capital of our Company.

For further details, see "The Offer" and "Offer Structure" on pages 40 and 53, respectively.

### 3. Objects of the Issue

#### Issue Proceeds and Net Proceeds

(₹ in lakhs)

Particulars	Amount
Gross Proceeds of the Issue	[●]
Less: Issue Related Expense	[●]
Net Proceeds of the Issue	[●]

The proposed utilization of Net Proceeds is set forth as stated below:

(₹ in lakhs)

Sr. No.	Particulars	Amount	% of Net Proceeds
1.	Funding of additional working capital requirement.	2,500.00	[●]
2.	Pursuing Inorganic Growth	550.00	[●]
3.	General Corporate Purpose	[●]	[●]
	<b>Total</b>	[●]	[●]

<sup>(1)</sup>To be finalized on determination of the Issue Price and updated in the Draft Prospectus prior to filing with the ROC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

For further details, please refer the chapter titled “Objects of the Issue” beginning on page 65 of this Draft Prospectus.

#### 4. Shareholding of Promoters and Promoter Group

Following are the details of the pre-Issue shareholding of Promoters and Promoter Group:

Sr. No.	Name of the Shareholders	Pre-Issue	
		Number of Equity Shares	% of Pre-Issue Equity Share Capital
<b>Promoter (who is also a Selling Shareholder)</b>			
1.	Ayesspea Holdings and Investments Private Limited	1,37,63,296	79.10
<b>Promoter</b>			
2.	Pravin Kumar Brijendra Kumar Agarwal	1,87,920	1.08
	<b>Total</b>	<b>1,39,51,216</b>	<b>80.18</b>
<b>Promoter Group</b>			
3.	Jyotsna Agarwal	3,480	0.02
4.	Garuda Television Private Limited	34,45,200	19.80
5.	Deepa Travel Private Limited	35	Negligible
6.	Aroma Coffees Private Limited	35	Negligible
7.	Garuda Aviation Services Private Limited	35	Negligible
	<b>Total</b>	<b>1,74,00,001</b>	<b>100</b>

For further details, please refer the chapter titled “Capital Structure” on page 53 of this Draft Prospectus.

#### 5. Summary of Restated Financial Information

Following are the details as per the Restated Financial Information for the Financial Years ended on March 31, 2023, 2022 and 2021.

(₹ in lacs)

Particulars	For the year ended March 31		
	2023	2022	2021
Revenue from Operations	3025.04	3,439.65	1,574.28
Total Revenue	3028.81	3443.55	1587.13
EBITDA <sup>(1)</sup>	1134.82	1140.65	(154.63)
EBITDA Margin (%) <sup>(2)</sup>	37.51%	33.16%	(9.82%)
Net Worth <sup>(3)</sup>	1835.33	1035.73	171.47
Debt to Equity Ratio <sup>(4)</sup>	-	0.85	3.42
Current Ratio <sup>(5)</sup>	1.27	1.53	1.01

<sup>(1)</sup>EBITDA = Profit before tax + depreciation & amortization expense + finance cost.

<sup>(2)</sup>EBITDA Margin = EBITDA/ Total income.

<sup>(3)</sup>Net Debt = Non-current borrowing + current borrowing - Cash and cash equivalent, Bank balance, and Investment in Mutual Funds.

<sup>(4)</sup>Debt to Equity Ratio = Total Debt/ Networth

<sup>(5)</sup>Current Ratio = Total Current Liabilities/ Total Current Assets.

For further details, please refer the section titled “Financial Information” on page 134 of this Draft Prospectus.

#### 6. Auditor qualifications which have not been given effect to in the Restated Financial statements

The Restated Financial Information does not contain any qualification requiring adjustments by the Auditors.

#### 7. Summary of Outstanding Litigation

For further details in relation to legal proceedings involving our Company, Promoters, Directors and Group Companies, please refer chapters titled “Outstanding Litigation and Material Developments” and “Risk Factors” on page no. 180 and 21, respectively, of this Draft Prospectus.

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

#### Litigations involving our Company, Promoters and Directors and Group Companies

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (₹in Lakhs)*
<b>Company</b>						
By the Company	NIL	NIL	NIL	NIL	NIL	-
Against the Company	NIL	2	NIL	NIL	1	136.87
<b>Directors</b>						
By our directors	NIL	NIL	NIL	NIL	NIL	-
Against the directors	NIL	NIL	NIL	NIL	NIL	-
<b>Promoters</b>						
By Promoters	NIL	NIL	NIL	NIL	NIL	NA
Against Promoters	3	9	NIL	NIL	NIL	40.45
<b>Group Companies</b>						
By Group Companies	NIL	NIL	NIL	NIL	NIL	NA
Against Group Companies	1	8	NIL	NIL	12	5525.26

\*These amounts are not ascertainable in some of the pending criminal and civil litigation cases.

For further details, please refer the chapter titled “Outstanding Litigations and Material Developments” on page 180 of this Draft Prospectus.

#### 8. Risk Factors

Please refer the chapter titled “Risk Factors” beginning on page 21 of this Draft Prospectus.

#### 9. Summary of Contingent Liabilities

Particulars	As at		
	31-Mar-23	31-Mar-22	31-Mar-21
Contingent Liabilities (to the extent not provided for)			
a) Bank Guarantees Opened with Banks	139.74	139.74	139.74
b) Custom Duty Payable against export Obligation	96.01	96.01	96.01

For detailed information on the Contingent Liabilities on our Company, please refer Note 23 of “Restated Financial Statement” beginning on Page no. 134 of this Draft Prospectus.

#### 10. Summary of Related Party Transactions

For detailed information on the Related Party Transaction on our Company, please refer “Annexure Note 25: Details of Related Party Transactions” appearing on page 132 of this Draft Prospectus under Chapter titled “Restated Financial Statement” beginning on Page no. 134 of this Draft Prospectus.

#### 11. Financials Arrangements

There are no financing arrangements whereby the promoters, members of the promoter group, the directors of the company which is a promoter of our Company, the directors of our Company and their relatives have 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 period of six months immediately preceding the date of the Draft Prospectus.

**12. Weighted Average Price of the Equity Shares acquired by our Promoters in the last one year preceding the date of this Draft Prospectus**

Name of Promoters	No. of Shares Held	Weighted Average Price (in Rs.)*
Ayesspea Holdings and Investments Private Limited	NIL	NA
Pravin Kumar Brijendra Kumar Agarwal	NIL	NA
* Cost of acquisition of 9942246 equity shares is Nil as the shares allotted are bonus shares. For further details, please refer to the chapter titled "Capital Structure" on page 53 of this Draft Prospectus.		

**13. Weighted Average Price of the Equity Shares acquired by our Promoters as on the date of this Draft Prospectus**

The average cost of acquisition of Equity Shares for the Promoter is as follows:

Name of Promoters	No. of shares held	Average Cost of Acquisition (in ₹ )
Ayesspea Holdings and Investments Private Limited	1,37,63,296	2.87
Pravin Kumar Brijendra Kumar Agarwal	1,87,920	2.87

\*As certified by Mittal Agarwal & Company, Chartered Accountants, by way of their certificate dated September 08, 2023.

**14. Pre-IPO Placement**

Our Company may consider issuing Equity Shares on a private placement basis of upto 10,00,000 equity shares for cash consideration aggregating up to ₹1000.00 Lakhs. The Pre-IPO Placement may be undertaken by our Company at its discretion. The Pre-IPO Placement will be at a price to be decided by our Company, in consultation with the Lead Managers and the Pre-IPO Placement, if any, will be undertaken prior to filing of the Final Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Issue, subject to the minimum Offer size constituting at least 25% of the post-Issue paid-up Equity Share capital of our Company.

**15. Issue of equity shares made in last one year for consideration other than cash**

Date of Allotment	No. of Equity Shares	Face value (Rs.)	Issue Price (Rs.)	Nature of consideration	Reason/Nature of Allotment
March 31, 2023	1,24,00,001	10	Nil	Other than cash	Bonus Issue

**16. Split or consolidation of Equity Shares in the last one year**

No split or consolidation of equity shares has been made in the last one year prior to filing of this Draft Prospectus.

**17. Exemption from complying with any provisions of securities laws, if any, granted by SEBI**

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

## SECTION 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 Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may arise or may become material in the future and may also impair our business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline, and as prospective investors, you may lose all or part of your investment. You should consult your tax, financial and legal advisors about particular consequences to you of an investment in this Issue. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.*

*To obtain a complete understanding, you should read this section in conjunction with the sections “Industry Overview”, “Our Business” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” on pages 80, and 134 of this Draft Prospectus, respectively. The industry-related information disclosed in this section that is not otherwise publicly available is derived from industry sources as well as Government Publications. Industry sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.*

*This Draft Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and, in the section titled “Forward-Looking Statements” on page 15 of this Draft Prospectus.*

*Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context requires otherwise, the financial information of our Company has been derived from the Restated Financial Information.*

*Materiality:*

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

- *Some events may not be material individually but may be found material collectively;*
- *Some events may have material impact qualitatively instead of quantitatively; and*
- *Some events may not be material at present but may have a material impact in future.*

*The financial and other related implications of risks concerned, whether quantifiable have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence, the same has not been disclosed in such risk factors. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk over another.*

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

*In this section, unless the context requires otherwise, any reference to “we”, “us” or “our” refers to Electro Force (India) Limited.*

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

### **INTERNAL RISK FACTORS**

#### **BUSINESS RELATED RISKS**

**1. *There are certain outstanding legal proceedings involving Our Company, Promoters and Directors. Any failure to defend these proceedings successfully may have an adverse effect on our financial conditions, business, reputation and result of ongoing operations.***

*Our Company are involved in certain legal proceedings, which if determined, against us/them could harm our reputation or adversely affect our business, financial condition and results of operations. These proceedings are pending at different levels of adjudication before various courts, tribunals and appellate authorities. For details*

kindly refer chapter titled “*Outstanding Litigations and Material Developments*” on page 180 of this Draft Prospectus.

A brief detail of such outstanding litigations as on the date of this Draft Prospectus are as follows:

### **Litigations involving our Company, Promoters and Directors**

#### **Litigations filed against/by our Company**

<b>Name of Entity</b>	<b>Criminal Proceedings</b>	<b>Tax Proceedings</b>	<b>Statutory or Regulatory Proceedings</b>	<b>Disciplinary actions by the SEBI or Stock Exchanges against our Promoters</b>	<b>Material Civil Litigations</b>	<b>Aggregate amount involved (₹ in Lakhs)*</b>
<b>Company</b>						
By the Company	NIL	NIL	NIL	NIL	NIL	-
Against the Company	NIL	2	NIL	NIL	1	136.87
<b>Directors</b>						
By our directors	NIL	NIL	NIL	NIL	NIL	-
Against the directors	NIL	NIL	NIL	NIL	NIL	-
<b>Promoters</b>						
By Promoters	NIL	NIL	NIL	NIL	NIL	NA
Against Promoters	3	9	NIL	NIL	NIL	40.45
<b>Group Companies</b>						
By Group Companies	NIL	NIL	NIL	NIL	NIL	NA
Against Group Companies	1	8	NIL	NIL	12	5525.26

\*These amounts are not ascertainable in some of the pending criminal and civil litigation cases.

For further details of Statutory or legal proceedings involving our Company, Directors and Promoters, please refer to the chapter titled “**Outstanding Litigations and Material Developments**” on page 180 of this Draft Prospectus.

2. *We depend on the expertise of our management, KMPs and skilled employees; our results of operations may be adversely affected by the departure of our management, KMPs and experienced employees.*

We are dependent on our management, KMPs and skilled employees for setting our strategic direction and managing our business, which are crucial to our success. Our continued success also depends upon our ability to retain the staff. The loss of the services of our management, KMPs and skilled employees or our inability to recruit, train or retain a sufficient number of experienced personnel could have a material adverse effect on our operations and profitability. Our ability to retain experienced staff members as well as our management, KMPs and skilled employees will in part depend on us having in place appropriate staff remuneration and incentive schemes. We cannot be sure that the remuneration and incentive schemes we have in place will be sufficient to retain the services of our management, KMPs and skilled employees.

3. *We are into the business of selling products on B2B basis to few customers. If our customers choose not to source their requirements from us, there may be a material adverse effect on our business and operations.*

Our Company is engaged in the designing, manufacturing, and supply of electrical components and allied products to our customers who are prominent industry players, on business-to-business (B2B) model. The percentages of revenue from operations from our top 5 customers were 77.44%, 88.00% and 83.53% in FY 21, FY 22 and FY 23 respectively as given below:



Particulars	Fiscal 2023	
	Amount	%
Schneider Electric India Private Limited	11,21,59,226	37.08
Artemis Electricals and Projects Limited	7,52,72,503	24.88
Precision Multi Alloys Private Limited	3,89,93,100	12.89
Evergreen Electricals Private Limited	1,63,13,596	5.39
Garuda Construction & Engineering Private Limited	99,40,530	3.29

Particulars	Fiscal 2022	
	Amount	%
Artemis Electricals and Projects Limited	14,16,05,692	41.17
Schneider Electric India Private Limited	11,08,49,258	32.23
B. Rameshkumar Metals Private Limited	1,97,38,083	5.74
Evergreen Electricals Private Limited	1,91,12,352	5.56
Precision Multi Alloys Private Limited	1,13,46,677	3.30
Particulars	Fiscal 2021	
	Amount	%
Schneider Electric India Private Limited	6,77,03,457	43.01
Larsen & Toubro Limited	1,92,62,769	12.24
Precision Multi Alloys Private Limited	1,33,41,925	8.47
Evergreen Electricals Private Limited	1,32,36,799	8.41
Garuda Construction & Engineering Private Limited	83,54,050	5.31

We are into the business of supplying our products on B2B basis. Our reliance on a limited number of customers for our business may generally involve several risks. These risks may include, but are not limited to, reduction, delay or cancellation of orders from our significant customers; failure to renegotiate favourable terms with our customers; the loss of these customers; all of which would have a material adverse effect on the business, financial condition, results of operations and future prospects of our Company. In order to retain some of our existing customers we may also be required to offer terms to such customers which may place restraints on our resources.

Maintaining strong relationships with our customers is, therefore, essential to our business strategy and to the growth of our business. Some of these customers have been associated for more than 5 years. Additionally, the loss of any customer, may significantly affect our revenues, and we may have difficulty securing comparable levels of business from other customers to offset any such loss of revenue. We may also not be able to easily re-allocate our resources and assets in a timely or efficient manner.

In addition, we generate account receivables in connection with providing our products to our customers. If one or more of our customers were to become insolvent or otherwise unable to pay for the products supplied by us, this could have a have an impact on our business as we may not be able to recoup the unpaid production costs and materials incurred for manufacturing purposes.

Our profitability also depends on the performance and business of our customers. We rely on the success of our customers in marketing and selling of their products and therefore any negative impact on their reputation may also have an effect on our business. Accordingly, few risks that could seriously harm our customers could harm us as well, including:

- Reduced pace of industrialization which could affect demand for project supplies;
- Reduced consumer spending on discretionary items in our customers' key markets;
- Recession in markets in which our customers' operate their businesses;
- Loss of market share of our customers' products;
- Failure of our customers' products to gain widespread commercial acceptance;
- Our customers' inability to effectively manage their operations or also seeing a change in their management or constitution which may render us not being a preferred choice for manufacturing products for them; and
- Changes in laws affecting our customers to operate profitably.

Our customers have high standards for product quality and delivery schedules. Any failure to meet their expectations could result in the cancellation or non-renewal of our supply agreements with them. Also, purchase orders are typically subject to conditions such as ensuring that all products delivered to the customers have been inspected and are safe for use. Customers may set off any payment obligations, require indemnification for themselves or their affiliates or change their outsourcing strategy by undertaking in-house manufacturing, any of

which may have an adverse effect on our business and results of operations as 1/2 major customers are under promoter group. Our Company is not having any relationship between any customers.

We cannot assure that we will be able to maintain historic levels of business and / or negotiate and execute long term contracts on terms that are commercially viable with our significant customers or that we will be able to significantly reduce customer concentration in the future. If there occurs any change in the market conditions, requirements of our customers, or if we fail to identify and understand evolving industry trends, preferences or fail to meet our customers' demands, it might have a direct impact on our revenue and customer base. The inability to procure new orders or expand our customer base on a regular basis or at all may adversely affect our business, revenues, cash flows and operations.

**4. *Our Company do not own premises where the registered office of the company and manufacturing unit is situated.***

Our Registered office and manufacturing unit of the company situated at 39/5, Village - Waliv, Taluka - Vasai East, District - Palghar, Maharashtra – 401 208, India. Our registered office is taken on rent from M/s PKH Ventures Limited to the Company vide Leave and Licence agreement dated May 15, 2023 for a period of five years from April 11, 2023 to April 10, 2028. However, if the agreement is terminated by the Company before expiry of 12 months from April 11, 2023, security deposit shall be returned after deducting the unpaid outgoing by the owner. Further, if the leave and license agreement is terminated by either of the parties or upon expiry of the said agreement or increase in rent or any non-compliance, we may have to vacate the office and re-locate to another premises or agree to pay the extra amount for using the same premises. If we are required to vacate the current premises, we would be required to make alternative arrangements for new offices and other infrastructure, and we cannot assure that the new arrangements will be on commercially acceptable/favourable terms. 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 resulting to higher expenses, which could have an adverse effect on our business, prospects, results of operations and financial condition.

**5. *The markets in which our customers compete are characterized by consumers and their rapidly changing preferences, advancement in technology and other related factors including lower manufacturing costs and therefore as a result our Company may be affected by any disruptions in the industry.***

We are engaged in designing, manufacturing and supply of electrical components to our customers as component suppliers to leading industry players on Business-to-Business (B2B) model. The markets in which our customers and we operate are characterized by rapidly changing technology, evolving industry standards and continuous improvements in products and services. These conditions frequently result in short product life cycles. Some of the customers for whom we manufacture products may also choose not to continue operations for many reasons which can also include customer preferences, among others.

If the end-user demand is low for our customers' products, companies for whom we manufacture our products may see significant changes in orders from customers and may experience greater pricing pressures. Therefore, risks that could harm the customers from the industry could, as a result, adversely affect our Company as well. Our success is therefore dependent on the success achieved by our customers in developing and marketing their products. If technologies or standards supported by our customers become obsolete or fail to gain widespread commercial acceptance, our customers may experience a reduced demand for their products which may affect our sales, a decline in sales and in operating margins depending on the nature of the product and the end user demand and all of these combined may gradually result in a loss of customers including key major ones. We are attempting to reduce the risks inherent in relying on a small number of products by developing and manufacturing new products in the verticals in which we operate and to keep pace with the rapidly emerging technological changes taking place. However, there can be no assurance that we will be successful in development and manufacturing of new products as planned and our failure in this regard can have a material adverse effect on our financial condition, results of operations and prospects.

Additionally, industry-wide competition for market share of various products can result in aggressive pricing practices by our customers and therefore our customers may choose to import some of these products which could provide them better cost benefits as compared to us or source the products from our competitors. This price-pressure from our customers may adversely affect the prices of the products which we supply, which may lead to reduced revenues, lower profit margins or loss of market share etc, any of which would have a material adverse effect on our business, financial condition and results of operations.

**6. *Our business is working capital intensive and our inability to borrow funds to meet our working capital requirements may materially and adversely affect our business and operations.***

Our business demands substantial funds towards working capital requirements. In case there are insufficient cash flows to meet our working capital requirement or we are unable to arrange the same from other sources or there are delays in disbursement of arranged funds, or we are unable to procure funds on favourable terms, it may result into our inability to finance our working capital needs on a timely basis which may have an adverse effect on our operations, profitability and growth prospects.

If we decide to incur debt, we will have interest payment obligations and we may be subject to conditions from lenders, which could place restrictions on how we operate our business and result in reduced cash flows. If we decide to issue equity, the ownership interest of our existing shareholders would be diluted. There can be no assurance that we will be able to raise adequate financing on acceptable terms. However, our failure to obtain sufficient financing could adversely affect our cash flow and financial condition and result in the delay or abandonment of our future plans.

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

Our Company intends to deploy and utilize Net Proceeds raised pursuant to the Initial Public Offer in the manner set out in the section titled "Objects of the Issue" on page no. 65 in the Draft Prospectus. In accordance with SEBI LODR Regulations and other applicable provisions, we cannot undertake any variation in the utilization of the Net Proceeds as disclosed in this Draft Prospectus without obtaining the approval of shareholders of our Company through a special resolution. In the event of any such, we may not be able to obtain the approval of the shareholders of our Company in a timely manner, or at all. Any delay or inability in obtaining such approval of the shareholders of our Company may adversely affect our business or operations and it may also lead to delay in deployment of funds as per the schedule of implementation as disclosed in objects section titled "Objects of the Issue" on page no. 65 in the Draft Prospectus. In light of these factors, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Issue, if any, even if such variation is in the interest of our Company. This may restrict our Company's ability to respond to any change in our business or financial condition by redeploying the unutilized portion of Net Proceeds, if any, which may adversely affect our business and results of operations.

**8. *Reliance has been placed on declarations and an affidavit furnished by Whole time Director Saideep Shantaram Bagale, Non-Executive Director Santosh Palaria and Chief Financial Officer Chandrashekhar Meher, for details of their profile included in this Draft Prospectus.***

Our Whole-time Director, Non-Executive Director and Chief Financial Officer has been unable to trace copies of certain documents pertaining to their educational qualifications and experience. Accordingly, reliance has been placed on an affidavit furnished by above Directors and CFO to disclose such details in this Draft Prospectus. Further, in relation of disclosures reliance has been placed on the affidavit furnished by them. Neither we, nor the LMs have been able to independently verify these details in the absence of primary documentary evidence. Further, there can be no assurances that our Directors and CFO will be able to trace the relevant documents pertaining to their educational qualifications in the future, or at all. Therefore, we cannot assure you that all or any of the information relating to the educational qualifications and experience included in "Our Management" on page 112 is complete, true and accurate.

**9. *Our business operations may be disrupted by an interruption in power supply which may impact our business operations.***

Our operations involve a significant amount of power supply as our service process requires continuous supply of power. We depend on State electricity supply for our power requirements. An interruption in power supply may occur in the future as a result of any natural calamity, technical fault, and shortage of power or other factors beyond our control. This could also result in an increase in the cost of power. Lack of sufficient power resources or an increase in the cost of such power may adversely affect our business, results of operations and financial condition.

**10. *We have not yet applied for the registration of our logo. If we fail to obtain registration our brand building efforts may be hampered which might lead to adverse effect on our business.***

Our Company is currently using the logo which is not yet registered in the name of our Company neither we have made any application for the registration of the trademark with the respective authorities. If we are unable to get the same registered with the trademark authorities then, our Company may not be able to successfully enforce or protect our intellectual property rights and obtain statutory protections available under the Trademarks Act, 1999, as otherwise available for registered trademarks in future could have a material adverse effect on our business and

goodwill, which in turn could adversely affect our results of operations. This might adversely affect our business and goodwill. For further details, please refer to section titled "Government and Other Approvals" on page 182 of this Draft Prospectus.

***11. The details of some of immediate relatives of our Promoter, certain promoter group companies and certain Group Companies which are disclosed in this Draft Prospectus are on the basis of data available in the public domain.***

Our Company is required to disclose names and details of certain immediate relatives of the Promoter and the entities in which aforesaid relatives were associated, as 'Members of the Promoter Group' in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations read with Schedule VI of SEBI ICDR Regulations in the Draft Prospectus ("Offer Documents") pursuant to proposed Offer. By way of a family settlement vide Memorandum of Arrangement dated March 15, 2017, between the families of our Promoter, Pravin Kumar Agarwal and his brothers, Sudhir Kumar Agarwal and Alok Kumar Agarwal, our Promoter took full control and management of our group and its businesses pursuant to this separation in terms of SEBI ICDR Regulations read with Part A and Schedule VI on the basis of data available in the public domain. However, we cannot assure that these disclosures are accurate and/or true and they may be incomplete on account of non-availability of information, documents, confirmations and undertaking from above mentioned relatives of the Promoter and entities associated with them. Anyone placing reliance on information disclosed by us in relation to Relevant Persons and entities associated with them in this Draft Prospectus would be doing so at their own risk.

***12. There may be potential conflicts of interest if our Promoters, Promoter Group or Directors are involved in same business activities that compete with or are in the same line of activity as our business operations.***

Our Group Company are involved in similar line of Business that is being carried out by our Company. Also, our Company has entered into various transactions with our Group Companies and will continue to do in future. For detailed information for our transaction with group Company please refer to Restated financial Statement beginning on page no. 134 respectively of this Draft Prospectus. Further, we have not entered into any non-compete agreement with our said entity. We cannot assure you that our Promoters, Promoter Group or Directors who have common interest in said entities may not favour the interest of the said entity. Any such present and future conflicts could have a material effect on our reputation, business, results of operations and financial condition which may affect our profitability and results of operations.

***13. Our operating results may fluctuate from period to period which may affect our business and financial condition.***

There is a risk that our operating results may fluctuate. Some of the principal factors affecting our operating results include:

- Our customers' sales and future business prospect, purchasing patterns and inventory Adjustments;
- Terms and conditions of our understanding with customers;
- The mix of the types of products we supply to our customers;
- Our effectiveness in managing manufacturing processes and inventory management;
- Breakdown, failure, or substandard performance of equipment and our ability to repair them thereby reducing the impact on manufacturing process;
- Changes in demand for our products;
- Our ability to make optimal use of available manufacturing capacity;
- Technological changes and changes in manufacturing processes;
- Changes in the cost and availability of labour, raw materials and components and which affect our margins and our ability to meet delivery schedules;
- our ability to manage the timing of our component purchases so that components are available when needed for production, while avoiding the risks of purchasing inventory in excess of immediate production needs;
- Timing of new technology development and the qualification of this technology by our customers;
- New product introductions and delays in developing the capability to produce new products;
- Our ability to obtain financing in a timely manner; and
- Local conditions and events that may affect our production volumes, such as labour conditions and political instability.

The occurrence of any such or other problems could materially and adversely affect our business, financial condition, and results of operations. Thus, it is possible that in any future period our operating results or growth rate may be below the expectations of investors.

***14. We may not be able to optimally utilise our integrated service model to enhance and support our business which may affect our operations, reputation and profitability.***

We strive to provide end-to-end solutions to our customers from designing, sourcing, manufacturing, quality testing, packaging to logistics support. Over a period of time, we have implemented both forward and backward integration of our activities to enable us to be cost efficient, reduce dependency on third party suppliers (providing raw materials and components) and control quality of components used in the manufacture of products. As part of our integration model, we have developed in house capabilities for electroplating and injection moulding, which are essential components of our manufacturing processes.

We rely on our integrated services for timely and quality manufacturing of our products to fulfil our customers' demands. Should there be any disruptions or malfunctions at any of our facilities as a result of which the components required for manufacturing the end products are not available on time, we may have to procure such components from third party suppliers. If such components are not available at short notice in the volume required by us, within the timelines required by us or at the rates favourable to us, it may have an adverse effect on our profitability and results of operations. Such failure to procure quality components on time may also harm our reputation and cause our customers to terminate our agreements.

***15. We do not have any patent with respect to our manufacturing processes as on date.***

We may not be able to prevent our competitors from developing, using or commercializing products that are functionally equivalent or similar to our products. The process of seeking patent protection can be lengthy and expensive. Further, our patent applications may fail to result in patents being issued, and our future patents may be insufficient to provide us with meaningful protection or a commercial advantage.

***16. Our ability to offer value added services to our customers on long-term basis depends to an extent on our research and development capabilities; our failure to derive the desired benefits from our product research and development efforts may hurt our competitiveness and profitability.***

We make investments in product research and development to improve the quality of our products, improve the existing portfolio by design and process improvement; develop and expand our product offerings, which are factors crucial for our future growth and prospects.

We cannot assure you that our future product research and development initiatives will be successful or be completed within the anticipated time frame or budget, or that our newly developed or improved products will meet the planned objective. Most of our spend on R&D, upon successful development of design, product and process is billed to the customers and as such the risk of unabsorbed R & D expenses is not expected. However, in case, the outcome of our R&D efforts are not as per the expectation of the customer, we may have to absorb the related R&D cost. Additionally, there can be no guarantee that the time and effort that we spend in research and development would provide commensurate benefit to the Company.

In addition, we cannot assure you that our existing or potential competitors will not develop products which are similar or superior to our products.

***17. Our overall margins may fluctuate as a result of the product mix manufactured by us.***

Our overall margins may fluctuate depending on the product mix manufactured. For example, the gross margin of any given product could depend on the total volume manufactured, complexity of manufacturing processes, technology deployed, and other factors. As a result, a change in product mix may decrease the gross margins and operating margins of our Company, which could have a material adverse effect on our business, financial condition and results of operations.

***18. We may be subject to financial and reputational risks due to product quality and liability claims and legal proceedings if the quality of our products does not meet our customers' expectations.***

Our products may contain quality issues or undetected errors or defects, especially when first introduced, resulting from the design or manufacture of the product or raw materials used in the product. While we test for quality on a sample basis, we cannot assure you that all products would meet the quality standards. Such quality issues can expose us to product liability claims or require us to replace such products, in the event that our products fail to meet the required quality standards, or are alleged to cause harm to customers. Further, if any of the products sold by us fail to comply with quality standards, it may result in customer dissatisfaction, which may have an adverse effect on our business, sales and results of operations.

Additionally, we face the risk of legal proceedings and product liability claims being brought against us by our Customers for various reasons including for defective products sold. We cannot assure you that we will not experience any material product liability losses in the future or that we will not incur significant costs to defend any such claims, regardless of whether we are responsible for any alleged defects.

**19. We may be unsuccessful in implementing innovation or technological advancement to our existing capabilities, which could adversely affect our business, results of operations and cash flows.**

Our future growth depends on our ability to continue to develop and commercialize innovative, viable and sustainable new systems in a timely and cost-effective manner. This industry is characterized by rapid and frequent advancements in technology and changes in market demand can often render existing technologies and equipment obsolete and could require substantial new capital expenditures or subject us to write-offs. Due to the long lead times associated with development for many of the technologically advanced automotive systems and components, as well as the competitive advantage that can come from being the initial developer of a new product, it is important that we maintain a sufficiently large portfolio of systems and components to market on a timely basis. If we are unable to bring the required technology or advancement into implementation it would make our pace in the market slow, our growth strategy may not be successful, and our business would be adversely affected.

**20. Any failure to adapt to industry trends and evolving technologies to meet our customers' demands may materially adversely affect our business and results of operations.**

Changes in consumers' preferences, regulatory or industry requirements, or competitive technologies may render certain of our products obsolete or less attractive.

We could also face competition for potential future revenue streams if our competitors are able to commercialize certain innovations before we can do so. We may have to procure a license for the technology, which may not be available on reasonable terms, if at all, and may significantly increase our operating expenses or may require us to restrict our business activities in one or more respects. As a result, we may also be required to develop alternative non-infringing technology, which could require significant effort and expense. If we fail to develop sufficient revenue streams covered by adequately robust intellectual property rights, we could lose market share and revenues to competitors. Any of these developments, alone or in combination, may have a material adverse effect on our business, results of operations and financial condition.

**21. Information relating to production capacity and utilization included in this Draft Prospectus may vary in future.**

Information relating to the installed capacity and capacity utilisation included in this Draft Prospectus have been calculated by the chartered engineer R. J. Kamothe and in the calculation of our installed capacity and capacity utilization they may have relied on certain assumptions. Future capacity utilisation rates may vary significantly from the estimated production capacities of our manufacturing facilities and historical capacity utilization rates. In addition, capacity utilisation is calculated differently in different countries, industries and for the different kinds of products we manufacture. Undue reliance should therefore not be placed on our historical installed capacity and capacity utilisation for our existing manufacturing facilities included in this Draft Prospectus. Please refer chapter titled as "Our Business" on page 80.

**22. We depend on our Management, KMPs and skilled employees and if we are unable to recruit and retain qualified and skilled personnel, our business and our ability to operate or grow our business may be adversely affected.**

Our Whole time Director Mr. Saideep Shantaram Bagale, has been instrumental in stabilizing and growing the business of our Company. His knowledge, experience and business acumen is a significant factor for our continued growth, expansion in our product range and for our future business strategies. We also depend on our management and other key personnel for our continued success and our inability to retain any key personnel may have an adverse effect on our operations. Our success depends to a large extent on the continued services of our management, KMPs and skilled employees. In an event they no longer work for us, there is no assurance that we will be able to find suitable replacements for such Key Managerial Personnel in a timely manner or at all and implement a smooth transition of responsibilities to any newly appointed management personnel. The market for qualified professionals is competitive and we may not continue to be successful in our efforts to attract and retain qualified people. We may therefore need to increase compensation and other benefits in order to attract and retain personnel in the future, which may adversely affect our results of operations.

We are a technology driven company with significant focus and investment in our in-house engineering capabilities. Our future success, amongst other factors, will depend upon our ability to continue to attract and retain qualified personnel with critical expertise know-how and skills that are capable of helping us develop

technologically advanced systems and components and support key customers and products. The specialised skills we require in our industry are difficult and time-consuming to acquire and, as a result, are in short supply. We require a long period of time to hire and train replacement personnel when we lose skilled employees. Our inability to hire, train and retain a sufficient number of qualified employees could delay our ability to bring new products or services to the market and impair the success of our operations. This could have an adverse effect on our business and results of operations.

We might face challenges in recruiting suitably skilled personnel, particularly as we continue to grow and diversify our operations. In the future, we may also be unable to compete with other larger companies for suitably skilled personnel due to their ability to offer more competitive compensation and benefits. The loss of any of the members of our key management personnel or other qualified personnel or an inability on our part to manage the attrition levels; may materially and adversely impact our business, results of operations, financial condition and growth prospects.

***23. A decline in the financial condition and results of operations of our customers could have a material adverse effect on our business, results of operations and cash flows.***

The financial condition and results of operations of our customers is affected by the sales of their products to their respective customers, which may be impacted by several factors, including general economic conditions and the COVID-19 pandemic. Any material weakening of the sales of our material customers could directly impact our business due to the potential postponement or cancellation of their planned purchases or the potential delay of their designs of new platforms.

***24. We have not made any alternate arrangements for meeting our capital requirements for the Objects of the Offer. Further we have not identified any alternate source of financing the 'Objects of the Offer'.***

Any shortfall in raising / meeting the same could adversely affect our growth plans, operations, and financial performance. As on date, we have not made any alternate arrangements for meeting our capital requirements for the objects of the Offer. We meet our capital requirements through our owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this Offer or any shortfall in the Offer Proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details, please refer to the chapter titled "Objects of the Issue" beginning on page no. 65 of this Draft Prospectus.

***25. We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, and the failure to obtain, retain and renew such approvals and licenses or comply with such rules and regulations, and the failure to obtain or retain them in a timely manner or at all may adversely affect our operations.***

We require certain statutory and regulatory permits, licenses and approvals to operate our business. We believe that we have obtained all the requisite permits and licenses which are adequate to run our business however there is no assurance that there are no other statutory/regulatory requirements which we are required to comply with. Further, some of these approvals are granted for fixed periods of time and need renewal from time to time. We are required to renew such permits, licenses and approvals. Further, certain licenses and registrations obtained by our Company contain certain terms and conditions, which are required to be complied with by us. Any default by our Company in complying with the same, may result in inter alia the cancellation of such licenses, consents, authorizations and/or registrations, which may adversely affect our operations. We are in the process of receipt of certain approvals/licenses for our manufacturing facilities. There can be no assurance that the relevant authorities will issue or renew any of such permits or approvals in time or at all. Failure to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations, or penal action be taken against our company and its officers in default and may have a material adverse effect on our business. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change, we may incur increased costs, be subject to penalties or suffer a disruption in our business activities, any of which could adversely affect our results of operations. For further details, please see chapters titled "Key Industry Regulations and Policies" and "Government and Other Statutory Approvals" at page no. 103 and 175 respectively of this Draft Prospectus.

***26. Our Company does not have any registered IPR, however we might unintentionally infringe upon the intellectual property rights of others, any misappropriation of which could harm our competitive position***

While we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty as to whether we are infringing on any existing third-party intellectual property rights. We may therefore be susceptible to claims from third parties asserting infringement and other related claims. If claims or actions are asserted against us, we may be required to obtain a license, modify our existing technology or cease the use of such technology and design a new non-infringing technology. Such licenses or design modifications can be extremely costly. Furthermore, necessary licenses may not be available to us on satisfactory terms, if at all. In addition, we may decide to settle a claim or action against us, the settlement of which could be costly. We may also be liable for any past infringement. Any of the foregoing could adversely affect our business and results of operations.

***27. Any shutdown of our manufacturing facilities may have an adverse effect on our business, results of operations and financial condition.***

We have manufacturing facilities located at Vasai in Maharashtra State. Our products go through various manufacturing stages at this plant. Major portion of our revenue is derived presently from products manufactured at this manufacturing facility; therefore, any disruption in our manufacturing facilities may result in production slowdown/shutdown. Our manufacturing facility is subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, industrial accident, labour disputes, natural disasters, epidemics or pandemics, such as the COVID-19 pandemic, and the need to comply with the directives of relevant government authorities. The assembly lines of our customers rely significantly on the timely delivery of our components and our ability to provide an uninterrupted supply of our products is critical to our business. Our customer relationships, business and results of operations may be adversely affected by any disruption of operations of our product lines, including as a result of any of the factors mentioned above. Further, our electricity requirements for our manufacturing facility is directly sourced from local utilities. Although there have been no such incidences in the past, however we cannot assure that we will be able to prevent disruptions in our manufacturing processes in case of non-availability or inadequacy of power or any other unforeseen events leading to disruption of production.

In particular, if operations at our manufacturing facility were to be disrupted as a result of any significant workplace accident, equipment failure, natural disaster, power outage, fire, explosion, terrorism, adverse weather conditions, labour dispute or unrest, obsolescence or other reasons, our financial performance may be adversely affected as a result of our inability to meet customer demand or committed delivery schedules for our products. Interruptions in production may also increase our costs and reduce our sales, and may require us to make substantial capital expenditures to remedy the situation or to defend litigation that we may become involved in as a result, which may negatively affect our profitability, business, financial condition, results of operations, cash flows and prospects.

Any shutdown or operational failure of our manufacturing facility may also result in a reduction in the capacity utilisation levels at our manufacturing facility, which may have an adverse effect on our results of operations.

***28. Upon completion of the Issue, our Promoters / Promoter Group may continue to retain significant control, which will allow them to influence the outcome of matters submitted to the shareholders for approval.***

After completion of the Issue, our Promoters and Promoter Group will collectively own [●]% of the total post issue Equity Shares. As a result, our Promoters together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring any strategic decision favourable to our Company or effecting a change in control of our Company for the betterment of the stakeholders.

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

***29. Our Company will not receive any proceeds from the Offer for Sale by the Selling Shareholder.***

The Offer consists of the Fresh Issue by our Company and an Offer for Sale by the Selling Shareholder. The entire proceeds of the Offer for Sale will be respectively transferred to the Selling Shareholder and will not result in any creation of value for us or in respect of your investment in our Company. For further details, see “*Objects of the Offer*” and “*Capital Structure*” on pages 65 and 53, respectively.



**30. Our Company has not entered into any long-term agreements with our customers for purchasing our products. We are subject to uncertainties in demand and there is no assurance that our customers will continue to purchase our products. This could impact the business and financial performance of our Company.**

We have not entered into any long-term agreements with our customers and instead rely on purchase orders to govern the volume and other terms of our sales of products other than as our Company has entered into the long term business agreement dated November 26, 2019 with Larsen and Turbo Limited with regards to purchase of raw materials supply of electronic components, assemblies and complete products which is valid upto next 5 years for the period ending November 25, 2024. There is no commitment on the part of our customers to continue to place new purchase orders with us and as a result, our cash flow and consequent revenue may fluctuate significantly from time to time. Further, we may not find other customers for the surplus or excess capacity, in which case we may be forced to incur a loss due to lack of utilization of our production capacity. Our customers are fairly and evenly spread out and none of our customers dominate our sales. Our customers can terminate their relationships with us due to a change in preference or any other reasons, which could materially and adversely impact our business. Consequently, our revenue may be subject to variability because of fluctuations in demand for our products. Our Company's customers are under no obligation to place orders with us and may either cancel, reduce or delay orders. The orders placed by our customers are dependent on factors such as customer satisfaction with the quality of our products, pricing of our products, customer's inventory management, amongst others. Although, we have a strong emphasis on quality, pricing, timely delivery of our products and personal interaction by the senior management with our customers, any change in the buying pattern of our customers can adversely affect the business and the profitability of our Company

**31. As the securities of our Group Company i.e Artemis Electricals and Projects Limited are listed on Stock Exchanges in India, our Company is subject to certain obligations and reporting requirements under the SEBI Listing Regulations. Any non-compliances/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.**

The Equity Shares of our Group Company i.e Artemis Electricals and Projects Limited is listed on BSE -Main Board, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI Listing Regulations, as well as requirements under the Companies Act for a listed Company. There have been instances in the past, wherein Artemis Electricals and Projects Limited has committed non-compliance of the SEBI Listing Regulations and actions in respect to the same have been initiated against Artemis Electricals and Projects Limited by the Stock Exchange. For instance, Artemis Electricals and Projects Limited received on account of non-disclosure of material event Regulations of SEBI Listing Regulations,. The details of penalties/ fines imposed by Stock Exchanges on Artemis Electricals and Projects Limited on account of non-compliance of the SEBI Listing Regulations in the past one(1) year, have been provided below:

(in ₹)

S. No.	Quarter ending	Nature of non-compliance	Amount of penalty/ fine (in Rs.)	Date of payment
1.	March 31,2023	<b>Regulation 24A for financial year 2022-23</b>	63,720/-	28/07/2023
		Non-submission of the Secretarial compliance report within the period provided under this regulation	And 37,760	And 21/07/2023
			And 14,160	And 03/08/2023
		<b>Regulations 33</b>	2,59,600	19/07/2023
		Non-submission of the Audited Financial results within the period provided under this regulation		
		<b>Regulation 29</b>		28/08/2023
		Non-compliance with Intimation for March 2023	11,800	
2.	September 30,2022	<b>Regulations 23</b>	47,200	27/01/2023
		Non-submission of the Related parties transaction disclosure within the period provided under this regulation		

**32. We are operating in a labour intensive industry, hence we may face labour disruptions and other planned and unplanned outages that could interfere or temporarily disrupt our operations.**

Our Company's manufacturing activities are labour intensive. Strikes and other labour action may have an adverse impact on our manufacturing operations, though we have not experienced any such labour disruption in the past. We cannot guarantee that we will not experience any strike, work stoppage or other industrial action in the future. Any such event could disrupt our manufacturing operations either temporarily or for a significant period of time, resulting in increased wages and other costs leading to a material adverse effect on our business, results of operations or financial condition. For further details, please see "Our Business – Manpower" on page 101 of this Draft Prospectus.

***33. Employee misconduct, errors or fraud could expose us to business risks or losses that could adversely affect our business prospects, results of operations and financial condition.***

Employee misconduct, errors or frauds could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our reputation. Such employee misconduct includes breach in security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our operational standards and processes, and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. In addition, losses caused on account of employee misconduct or misappropriation of petty cash expenses and advances may not be recoverable, which we may end in writing-off of such amounts and thereby adversely affecting our results of operations. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions in which case, our reputation, business prospects, results of operations and financial condition could be adversely affected.

***34. We cannot assure payment of dividends on the Equity Shares in the future.***

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flows, capital requirements, capital expenditure and restrictive covenants of our financing arrangements. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and subsequent approval of Shareholders and will depend on factors that our Board of Directors and Shareholders deem relevant, including among others, our future earnings, financial condition, cash flows, capital requirements, capital expenditures, business prospects and restrictive covenants under our financing arrangements. We may decide to retain all of our earnings to finance the development and expansion of our business and, therefore, may not declare dividends on the Equity Shares. We cannot assure you that we will be able to pay dividends at any point in the future. For further information, please refer the chapter titled "Dividend Policy" on page 129.

***35. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.***

We intend to use substantial portion of the Net Issue Proceeds towards meeting the working capital requirement. We intend to deploy the Net Issue Proceeds based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled "Objects of the Issue" on page 65 of the Draft Prospectus. The deployment of funds for the purposes described above is at the discretion of our Company's Board of Directors. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in chapter titled "Objects of the Issue" on page 65 of the Draft Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue, subject to approval from Shareholders of the Company. Our Board of Directors will monitor the proceeds of this Issue.

***36. The requirements of being a public listed company may strain our resources and impose additional requirements.***

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we were not required to incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchange. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and

accounting knowledge and we cannot assure that we will be able to do so in a timely manner. Failure of our Company to meet the listing requirements of stock exchange, if any, could lead to imposition of penalties, including suspension of trading in shares of the Company.

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

As per SEBI (ICDR) Regulations, 2018, as amended from time to time, appointment of monitoring agency is required only for Issue size above Rs. 10,000 Lakhs. Since this Issue Size is less than Rs. 10,000 Lakhs, our Company has not appointed any monitoring agency for this Issue. 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 NSE and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

**38. We may be unable to grow our business in additional geographic regions or international markets, which may adversely affect our business prospects and results of operations.**

Our Company seeks to grow its market reach domestically to explore untapped markets and segments; however, we cannot assure you that we will be able to grow our business as planned. Infrastructure and logistical challenges in addition to the advancement of research and development in the automobile industry, changing customers' taste and preferences may prevent us from expanding our presence or increasing the penetration of our products. Further, customers may be price conscious and we may be unable to compete effectively with the products of our competitors. If we are unable to grow our business in these new markets effectively, our business prospects, results of operations and financial condition may be adversely affected.

Further, expansion into new international markets is important to our long-term prospects. Competing successfully in international markets requires additional management attention and resources to tailor our services to the unique aspects of each new country. We may face various risks, including legal and regulatory restrictions, increased advertising and brand building expenditure, challenges caused by distance, language and cultural differences, in addition to our limited experience with such markets and currency exchange rate fluctuations. International markets require a very high standard of quality of products and our Company may not be able to match the international standards thereby failing to make a brand presence in the international markets. If we are unable to make long-lasting relations with the major customers in the overseas market or if we are unable to justify the quality of our products to them, it may make it difficult for us to enter into such markets. These and other risks, which we do not foresee at present, could adversely affect any international expansion or growth, which could have an adverse effect on our business, results of operations and financial condition.

**39. Our Company had negative cash flows from certain activity in recent fiscals. Sustained negative cash flow could impact our growth and business**

Sustained negative cash flows could adversely impact our business, financial condition and results of operations. The detailed break up of cash flows is summarized in below table and our Company has reported negative cash flow from operating activity, financing activity and also investing activity in the financial years is as mentioned below, which could affect our business and growth.

(₹ In Lakhs)

Particulars	For the year ended March 31,		
	2023	2022	2021
Net Cash from Operating Activities	(23.18)	358.89	302.77
Net Cash from Investing Activities	(33.16)	316.13	(367.01)
Net Cash used in Financing Activities	(878.48)	290.33	43.32

Cash flow of a company is a key indicator to show the extent of cash generated from financing activities to use the finance as leverage to raise the business. Finance cost charged for the finance facility taken as borrowing form unsecured and secured loan is more than the proceeds from equity shares. If we are not able to generate sufficient cash flows in future, it may adversely affect our business and financial operations. For further, details please refer to the section titled "Restated Financial Statements" and chapter titled "Management's Discussion and Analysis of Financial Conditions and Results of Operations" beginning on page no. 134 and page no. 170 respectively, of this Draft Prospectus.

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

Our Company has entered into related party transactions with our Promoters, Directors, Promoter group members in the past. While our Company believes that all such transactions have been conducted on an arm's length basis and are accounted as per AS 18 and are in compliance with the provisions of the Companies Act, 2013 and other applicable laws, however there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations. For details, please refer to the "Annexure 42-Related Party Transaction" on page no. 174 under chapter titled "Restated Financial Statement" on page 140 of this Draft Prospectus.

**Summary of related parties Transactions during last three year:**

Sr. No.	Nature of Transactions	For the period ended		
		March 31, 2023	March 31, 2022	March 31, 2021
<b>1</b>	<b>Sale of Items and Services (Net of Returns)</b>			
	<b>Enterprise over which KMP are able to exercise influential control</b>			
	Artemis Electricals and Projects Limited	752.73	1,670.95	41.74
	Electroplast (India) Private Limited	0.50	0.59	9.04
	Garuda Construction and Engineering Private Limited	99.41	-	-
<b>2</b>	<b>Purchase of Items and Services (Net of Returns)</b>			
	<b>Enterprise over which KMP are able to exercise influential control</b>			
	Electroplast (India) Private Limited	-	5.44	1.95
	Artemis Electricals and Projects Limited	-	-	0.01
	Garuda Construction and Engineering Private Limited	<b>754.06</b>	-	-
<b>3</b>	<b>Net Loans and Advances taken / (repaid)</b>			
	<b>Enterprise over which KMP are able to exercise influential control</b>			
	PKH Ventures Limited	(1.60)	1.60	-
	Garuda Aviation Services Private Limited	(848.61)	848.61	-
	Aroma Coffees Private Limited	(7.83)	2.12	-
	PKHS and Sanjay Khanvilkar JV	(20.21)	(23.85)	-
	Ayesspea Holdings and Investments Private Limited	-	-	(7.97)
	Garuda Construction and Engineering Private Limited	-	-	2.50
<b>4</b>	<b>Net Loans and Advances paid / (received back)</b>			
	<b>Key Managerial Personnel</b>			
	Pravin Kumar Agarwal		(75.00)	-
	<b>Enterprise over which KMP are able to exercise influential control</b>			
	Ayesspea Holdings and Investments Private Limited	(388.72)	961.64	-
	Gallic Electro Technologies Private Limited	-	-	-
	Golden Chariot Hospitality Service Private Limited	-	-	-
	Artemis Electricals and Projects Limited	(13.20)	8.30	3.80
	NS Patil Developers Private Limited	2,720.00	-	-

For further details, please refer to the chapter titled "Restated Financial Information" at page 132 of the Draft Prospectus.

**41. Our insurance coverage may not be adequate.**

Our Company has obtained insurance coverage in respect of certain risks. For further details in relation to our Insurance, please refer to the section titled – Insurance in the chapter titled "Our Business" beginning on page 101 of this Draft Prospectus. This insurance policies are renewed periodically to ensure that the coverage is adequate, however, our insurance policies do not cover all risks. There can be no assurance that our insurance policies will

be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected. For further details, please refer chapter titled “Our Business” beginning on page 88 of this Draft Prospectus.

**42. Our Company has allotted Equity Shares during the preceding one year from the date of the Draft Prospectus which are lower than the Issue Price.**

Our Company has allotted the following Equity Shares during the preceding one year from the date of the Draft Prospectus which are lower than the Issue Price:

<b>Date of allotment</b>	<b>No. of Equity Shares Allotted</b>	<b>Face Value (Rs.)</b>	<b>Issue Price (Rs.)</b>	<b>Nature / Reason of Allotment</b>
March 31, 2023	1,24,00,001	10	-	Bonus Issue

For Further details of equity shares issued, please refer to the section titled “Capital Structure” beginning on page no. 53 of this Draft Prospectus.

**43. We have not commissioned an industry report for the disclosures made in the chapter titled “Industry Overview” and made disclosures on the basis of the data available on the internet.**

We have not commissioned an industry report, for the disclosures which need to be made in the chapter titled “Industry Overview” of this Draft Prospectus. We have made disclosures in the said chapter on the basis of the relevant industry related data available online. We cannot assure you that any assumptions made are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Prospectus. 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. Further, the industry data mentioned in this Draft Prospectus or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry related disclosure in this Draft Prospectus in this context.

**44. Delay in raising funds from the IPO could adversely impact the implementation schedule.**

The proposed fund requirements, as detailed in the section titled "Objects of the Issue" is to be mainly funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the implementation schedule. We therefore, cannot assure that we would be able to execute the expansion process within the given timeframe, or within the costs as originally estimated by us. Any time overrun, or cost overrun may adversely affect our growth plans and profitability.

**EXTERNAL RISK FACTORS**

**45. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business and financial performance.**

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example, the Government of India implemented a comprehensive national goods and services tax (“GST”) regime with effect from July 1, 2017, that combined multiple taxes and levies by the Central and State Governments into a unified tax structure. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the amendment of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST.

**46. Any downturn in the macroeconomic environment in India would adversely affect our business, financial condition, results of operations and cash flows**

Our revenue from sale of products, respectively, was from customers in India. Therefore, any downturn in the macroeconomic environment in India could adversely affect our business, financial condition, results of operations and cash flows. The Indian economy could be adversely affected by various factors, such as the impact of COVID-

19 pandemic or other pandemics, epidemics, political and regulatory changes, including adverse changes in the Government's liberalisation policies, social disturbances, religious or communal tensions, terrorist attacks and other acts of violence or war, natural calamities, volatility in interest rates, volatility in commodity and energy prices, a loss of investor confidence in other emerging market economies and any worldwide financial instability. In addition, an increase in India's trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could increase interest rates and adversely affect liquidity, which could adversely affect the Indian economy and thereby adversely affect our business, financial condition, results of operations and cash flows.

***47. Financial instability in other countries may cause increased volatility in Indian financial markets and, directly or indirectly, adversely affect the Indian economy and our business, financial condition, results of operations and cash flows.***

The Indian financial markets and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and emerging economies in Asia. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian financial markets. Although economic conditions vary across markets, a loss of investor confidence in one emerging market may cause increased volatility in other emerging markets, including the Indian financial markets. Therefore, financial instability in other countries may cause increased volatility in Indian financial markets and, directly or indirectly, have an adverse effect on the Indian economy and our business, financial condition, results of operations and cash flows.

***48. Political instability, changes in economic policy, changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws and regulations, may adversely affect our business, financial condition and results of operations.***

Any political instability in India, such as corruption, scandals and protests against certain economic reforms, which have occurred in the past, could slow the pace of liberalization and deregulation. The rate of economic liberalisation could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well.

Our business and financial performance could be adversely affected by unfavorable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business. For further details of the laws currently applicable to us, please refer the chapter titled "Key Industrial Regulations and Policies" on page no. 88.

There can be no assurance that the Government of India will not implement new regulations and policies that would require us to obtain approvals and licences from the Government of India and other regulatory bodies, or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the applicability, interpretation and implementation of any amendment or change to governing laws, regulation or policy in the jurisdictions in which we operate may have a material adverse effect on our business, financial condition and results of operations. In addition, we may have to incur expenditures to comply with the requirements of any new regulations, which may also materially harm our results of operations. Any unfavourable changes to the laws and regulations applicable to us could also subject us to additional liabilities.

In addition, unfavourable changes in, or interpretations of, (or the promulgation of) existing or new laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws or may require us to apply for additional approvals. We may incur increased costs relating to compliance with such new requirements, which may require management time and other resources, and any failure to comply may adversely affect our business and results of operations. Uncertainty in the applicability, interpretation or implementation of any amendment to, or changes in, governing laws, regulations or policies, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming and costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

The application of various Indian tax laws, rules and regulations to our business, currently or in the future, is subject to interpretation by the applicable taxation authorities. If such tax laws, rules and regulations are amended, new adverse laws, rules or regulations are adopted or current laws are interpreted adversely to our interests, it could increase our tax payments (prospectively or retrospectively) and/ or subject us to penalties. As a result, any such changes or interpretations could have an adverse effect on our business, financial condition and results of operations.

***49. Terrorist attacks, civil disturbances and regional conflicts involving India may have an adverse effect on our***

***business, results of operations and the price of the Equity Shares.***

India has, from time to time, experienced social and civil unrest within the country and hostilities with neighboring countries. There have been continuing tensions between India and Pakistan over the states of Jammu and Kashmir. In the past there were armed conflicts over parts of Kashmir. Isolated troop conflicts and terrorist attacks continue to take place in these regions. In addition, in June 2020, a confrontation occurred between Indian and Chinese military forces. These hostilities and tensions could lead to political or economic instability in India, which may have an adverse effect on our business, results of operations and the price of the Equity Shares. In addition, any further hostilities and tensions could result in investors attaching a higher risk premium to shares of Indian companies, which could have an adverse effect on the price of the Equity Shares.

India has witnessed localized terrorist attacks in the recent past, including, among others, the terrorist attacks in Pulwama in 2019, in Pathankot and Uri in 2016, in Mumbai in 2011 and 2008 and in New Delhi in 2011. Any further terrorist attack in India could result in investors attaching a higher risk premium to shares of Indian companies, which could have an adverse effect on the price of the Equity Shares.

***50. If inflation rises in India, increased costs may result in a decrease in our profits.***

Increasing inflation in India could cause the costs of rent, wages, raw materials and other expenses to rise. If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could have an adverse effect on our business, financial condition, results of operations and cash flows.

***51. The occurrence of natural disasters may adversely affect our business, financial condition, results of operations and cash flows.***

The occurrence of natural disasters, including hurricanes, floods, tsunamis, earthquakes, tornadoes, fires and explosions, could damage or destroy one or more of our manufacturing facilities and adversely affect our business, financial condition and results of operations and cash flows.

***52. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdiction***

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction. Further, our Company's Articles of Association, composition of our Company's Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and widespread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as a shareholder in an Indian company than as a shareholder of an entity in another country or jurisdiction.

**RISKS RELATING TO THE OFFER AND THE EQUITY SHARES**

***53. Investors may be subject to Indian taxes arising out of the sale of the Equity Shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares held as investments in an Indian company are generally taxable in India. Any capital gain realised on the sale of listed equity shares on a Stock Exchange held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains in India at the specified rates depending on certain factors, such as whether the sale is undertaken on or off the Stock Exchanges, the quantum of gains and any available treaty relief. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of Securities Transaction Tax ("STT"), on the sale of any Equity Shares held for more than 12 months immediately preceding the date of transfer. STT will be levied on the seller and/or the purchaser of the Equity Shares and collected by the domestic stock exchange on which the Equity Shares are sold. Further, any capital gains realised on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India as well as STT.

Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident read with the Multilateral Instrument (MLI), if and to the extent applicable, and the seller is entitled to avail benefits thereunder. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result,

residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

No dividend distribution tax is required to be paid in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020 and, accordingly, such dividends would not be exempt in the hands of the shareholders, both for residents as well as non-residents. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action, including dividends.

Similarly, any business income realised from the transfer of equity shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller. Additionally, in terms of the Finance Act, 2018, which has been notified on March 29, 2018 with effect from April 1, 2018, taxes payable by an assessee on the capital gains arising from transfer of long-term capital assets (introduced as section 112A of the Income-Tax Act, 1961) shall be calculated on such long-term capital gains at the rate of 10%, where the long-term capital gains exceed ₹ 100,000, subject to certain exceptions in case of resident individuals and Hindu Undivided Families.

Further, the Finance Act, 2019 has made various amendments in the taxation laws and clarified that, in the absence of a specific provision under an agreement, the buyer will be liable to pay stamp duty in case of sale of securities through stock exchanges, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis, is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. These amendments were notified on December 10, 2019 and have come into effect from July 01, 2020.

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

After the completion of the Issue, our Promoters and significant shareholders will own, directly and indirectly, approximately [•] % of our outstanding Equity Shares. Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. No assurance may be given that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our significant shareholders, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. Except as disclosed in the section titled "*Capital Structure*" beginning on page 53 of this Draft Prospectus, no assurance may be given that our significant shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

***55. The price of our Equity Shares may be volatile, or an active trading market for our Equity Shares may not develop.***

Prior to this Issue, there has been no public market for our Equity Shares. [●] is acting as Market Maker for the Equity Shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could materially affect the price of our Equity Shares. There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Issue, or that the price at which our Equity Shares are initially offered will correspond to the prices at which they will trade in the market subsequent to this Issue. For further details of the obligations and limitations of Market Makers, please refer to the section titled "***General Information – Details of the Market Making Arrangement for this Issue***" on page no. 44 of this Draft Prospectus.

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

Under the Companies Act, a company incorporated in India must offer its equity shareholders pre-emptive rights



to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution. However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company may be reduced.

***57. You will not be able to immediately sell any of the Equity Shares you purchase in this Issue on the Stock Exchanges.***

Under the SEBI (ICDR) Regulations, we are permitted to allot Equity Shares within four (4) Working Days of the Bid/Issue Closing Date. Consequently, the Equity Shares you purchase in the Issue may not be credited to your book or dematerialized account with the Depository Participants until fifth (5) Working Days after the Bid/Issue Closing Date. You can start trading in the Equity Shares only after they have been credited to your dematerialized account and listing and trading permissions are received from the Stock Exchanges.

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

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

## SECTION IV – INTRODUCTION

### THE ISSUE

Following table summarizes the present Issue in terms of this Draft Prospectus:

Particulars	Details of Equity Shares
Equity Shares Issued <sup>(1)</sup> Present Issue of Equity Shares by our Company <sup>(2)</sup>	Upto 86,75,000 Equity Shares of face value of ₹ 10 each fully paid-up of our Company for cash at a price of ₹ [●] per Equity Share aggregating to ₹ [●] lacs. <sup>2)</sup>
<b>Consisting of:</b>	
Fresh Issue	Upto 60, 00,000* Equity Shares aggregating up to ₹[●] lakhs
Offer for Sale (OFS)	Upto 26,75,000 Equity Shares aggregating up to ₹[●] lakhs
<b>of which:</b>	
Market Maker Reservation Portion	Issue of [●] Equity Shares having face value of ₹10 each at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs
Net Issue to Public <sup>3)</sup>	Issue of [●] Equity Shares having face value of ₹10 each at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs
	<i>of which:</i>
	[●] Equity Shares having face value of ₹10 each at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs will be available for allocation to Retail Individual Investors
	[●] Equity Shares having face value of ₹10 each at a price of ₹ [●] per Equity Share aggregating ₹ [●] lakhs will be available for allocation to other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for
<b>Pre and Post-Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue	1,74,00,001 (One crore Seventy Four Lakhs and One) Equity Shares)
Equity Shares outstanding after the Issue	[●] Equity Shares
Use of Net proceeds of this Issue	Please refer the chapter titled “ <i>Objects of the Issue</i> ” on page 65 of this Draft Prospectus.

<sup>1)</sup> This Issue is being made in terms of Regulation 253(2) of Chapter IX of the SEBI (ICDR) Regulations. For further details, please refer to section titled “Issue Information” on page 204 of this Draft Prospectus.

<sup>2)</sup> The present Issue has been authorized pursuant to a resolution of our Board dated August 31, 2023 and vide a special resolution passed under clause (c) of Sub-Section (1) of 62 of the Companies Act, 2013 at an Extra-ordinary general meeting of our shareholders held with a shorter notice on September 01, 2023;

<sup>3)</sup> The Selling Shareholder has specifically confirmed that its respective portion of the Offered Shares are eligible to be offered for sale in the Offer in accordance with the SEBI ICDR Regulations. Board has taken on record the approval for the Offer for Sale by the Selling Shareholder pursuant to a resolution August 31, 2023 read with the resolutions passed by our Board on August 31, 2023. For details on the quantum of Offered Shares and authorisation of Selling Shareholder in relation to the Offered Shares, see “Other Regulatory and Statutory Disclosures” page [●] of this Draft Prospectus.

<sup>4)</sup> Our Company and the Selling Shareholders, in consultation with the LM, may consider a Pre-IPO Placement. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to applicable law

<sup>5)</sup> The allocation to the Net Issue to the public category shall be made as per the requirements of Sub-Regulation (2) of Regulation 253 of the SEBI (ICDR) Regulations, as amended from time to time:

a) Minimum fifty percent to retail individual investors; and

b) Remaining to

(i) individual applicants other than retail individual investors and

(ii) other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for

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

Explanation - For the purpose of sub-regulation (2), if the retail individual investor category is entitled to more than fifty per cent of the Issue size on a proportionate basis, the retail individual investors shall be allocated that higher percentage.

For further details please refer to the chapter titled “Issue Structure” beginning on page 209 of this Draft Prospectus.

## SUMMARY OF FINANCIAL INFORMATION

The following tables provide the summary financial information of our Company derived from the Restated Financial Information for the Financial Years ended on March 31, 2023, 2022 and 2021. The Restated Financial Information referred to above is presented under the section titled "Financial Information" on page 134. The summary financial information presented below should be read in conjunction with the Restated Financial Information, the notes thereto and the sections titled "Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 134 and 170 respectively.

### Annexure I - Restated Statement of Assets and Liabilities of Electro Force (India) Limited (Formerly Known as Electro Force (India) Private Limited)

( ₹ in lakhs)

Particulars	Notes / Annexures	As at		
		March 31, 2023	March 31, 2022	March 31, 2021
<b>Equity and Liabilities</b>				
Shareholders' Funds				
Share Capital	Annexure V, Note 1	1,740.00	500.00	500.00
Reserve & Surplus	Annexure V, Note 2	95.33	535.73	-328.53
<b>Non Current Liabilities</b>				
Long Term Borrowings	Annexure V, Note 3	-	878.26	586.53
Provisions	Annexure V, Note 4	10.63	9.39	10.25
<b>Current Liabilities</b>				
Trade Payables	Annexure V, Note 5			
Micro and Small Enterprises		153.17	231.35	323.01
Other than Micro and Small Enterprises		236.87	200.37	71.73
Other Current Liabilities	Annexure V, Note 6	4,674.95	2,201.14	526.25
Provisions	Annexure V, Note 4	320.55	227.15	30.71
<b>Total</b>		<b>7,231.51</b>	<b>4,783.37</b>	<b>1,719.96</b>
<b>Assets</b>				
<b>Property, Plant and Equipment and Intangible Assets:</b>				
Property, Plant and Equipment	Annexure V, Note 7	302.96	335.92	732.18
Intangible Assets	Annexure V, Note 7	5.05	5.05	5.05
Long Term Loans & Advances	Annexure V, Note 8	17.19	17.19	16.85
Deferred Tax Assets	Annexure V, Note 9	47.20	42.57	3.48
<b>Current Assets</b>				
Inventories	Annexure V, Note 10	1,270.21	204.24	208.39
Trade Receivables	Annexure V, Note 11	667.35	395.75	559.45
Cash and Bank Balances	Annexure V, Note 12	93.69	1,028.52	63.16
Short Term Loans & Advances	Annexure V, Note 13	4,827.86	2,754.14	131.40
<b>Total</b>		<b>7,231.51</b>	<b>4,783.37</b>	<b>1,719.96</b>

The above statement should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V.

**Annexure II - Restated Statement of Profit and Loss of Electro Force (India) Limited  
(Formerly Known as Electro Force (India) Private Limited)**

(₹ in lakhs)

Particulars	Notes / Annexures	For the period ended		
		March 31, 2023	March 31, 2022	March 31, 2021
<b>Income</b>				
Revenue from Operations	Annexure V, Note 14	3,025.04	3,439.65	1,574.28
Other Income	Annexure V, Note 15	3.78	3.90	12.85
<b>Total</b>		<b>3,028.81</b>	<b>3,443.55</b>	<b>1,587.13</b>
<b>Expenditure</b>				
Cost of Material Consumed	Annexure V, Note 16	2,558.31	2,006.87	1,197.25
Changes in Inventories of Finished Goods	Annexure V, Note 17	(998.70)	(0.17)	261.68
Employee Benefit Expenses	Annexure V, Note 18	108.41	123.53	122.57
Finance Costs	Annexure V, Note 19	0.23	1.40	6.19
Depreciation and Amortisation Expense	Annexure V, Note 20	69.84	83.69	79.20
Other Expenses	Annexure V, Note 21	222.19	168.78	147.42
<b>Total</b>		<b>1,960.28</b>	<b>2,384.09</b>	<b>1,814.30</b>
<b>Profit before Tax and exceptional items</b>		<b>1,068.53</b>	<b>1,059.46</b>	<b>(227.17)</b>
Exceptional Items		-	-	-
<b>Net Profit before Tax</b>		<b>1,068.53</b>	<b>1,059.46</b>	<b>(227.17)</b>
<b>Less: Provision for Taxes</b>				
Current Tax		273.56	234.29	-
Deferred Tax		(4.63)	(39.09)	(3.48)
<b>Net Profit After Tax &amp; Before Extraordinary Items</b>		<b>799.60</b>	<b>864.26</b>	<b>(223.69)</b>
Extra Ordinary Items		-	-	-
<b>Net Profit after Tax</b>		<b>799.60</b>	<b>864.26</b>	<b>(223.69)</b>
The above statement should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V and Statement of Adjustments to Audited Financial Statements appearing in Annexure VI.				

**Annexure III - Restated Statement of Cash Flows of Electro Force (India) Limited  
(Formerly Known as Electro Force (India) Private Limited)**

(C in lakhs)

Particulars	For the period ended		
	March 31, 2023	March 31, 2022	March 31, 2021
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net profit before taxes	1,068.53	1,059.46	(227.17)
<b>Adjustment for:</b>			
Add: Depreciation	69.84	83.69	79.20
Add: Interest & Finance Charges	(3.72)	1.40	6.19
Less: Interest Income	0.23	(3.90)	(5.35)
<b>Operating Profit before Working capital changes</b>	<b>1,134.88</b>	<b>1,140.65</b>	<b>(147.13)</b>
<b>Adjustments for:</b>			
Decrease (Increase) in Trade & Other Receivables	(271.59)	163.70	(159.63)
Decrease (Increase) in Short Term Loans & Advances	(2,074.85)	(2,649.46)	55.08
Decrease (Increase) in Inventories of Finished Goods, Stock-in-Trade & Scrap	(1,065.98)	4.15	304.77
Increase (Decrease) in Trade Payables	(41.67)	36.97	173.55
Increase (Decrease) in Other Current Liabilities	2,474.94	1,673.76	65.31
Increase (Decrease) in Short Term Provisions (Excluding Provision for Taxes)	28.95	(10.87)	10.81
<b>Net Changes in Working Capital</b>	<b>(950.19)</b>	<b>(781.76)</b>	<b>449.91</b>
<b>Cash Generated from Operations</b>	<b>184.68</b>	<b>358.89</b>	<b>302.77</b>
Less: Taxes	(207.86)	-	-
<b>Net Cash Flow from Operating Activities (A)</b>	<b>(23.18)</b>	<b>358.89</b>	<b>302.77</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Sale / (Purchase) of Fixed Assets	(36.88)	312.57	(371.99)
Interest Income	3.72	3.90	5.35
Decrease (Increase) in Long Term Loans & Advances	-	(0.34)	(0.38)
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(33.16)</b>	<b>316.13</b>	<b>(367.01)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Interest & Finance Charges	(0.23)	(1.40)	(6.19)
Increase / (Repayment) of Long Term Borrowings	(878.26)	291.73	49.51
<b>Net Cash Flow from Financing Activities (C)</b>	<b>(878.48)</b>	<b>290.33</b>	<b>43.32</b>
Net Increase / (Decrease) in Cash and Cash Equivalents	(934.83)	965.36	(20.92)
Cash and cash equivalents at the beginning of the year / Period	1,028.51	63.16	84.08
<b>Cash and cash equivalents at the end of the year/ Period</b>	<b>93.69</b>	<b>1,028.52</b>	<b>63.16</b>
Notes:			
1)The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statements.			
2)The above statement should be read with the Basis of Preparation and Significant Accounting Policies, appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V and Statement of Adjustments to Audited Financial Statements appearing in Annexure VI.			

## GENERAL INFORMATION

Our Company was originally incorporated as “Electro Force (India) private limited” on June 14, 2010 under the provision of Companies Act, 1956 issued by the Registrar of Companies, Mumbai. The status of the Company was changed to public limited and the name of our Company was changed to Electro Force (India) Limited vide Special Resolution dated April 15, 2023 pursuant to conversion of the Company into public limited Company. The fresh certificate of incorporation consequent to conversion was issued on May 11, 2023 by the Registrar of Companies, Mumbai. The corporate identification number of our Company is U51909MH2010PLC204214.

### Registered Office of our Company

#### Electro Force (India) Limited

39/5, Village - Waliv, Taluka - Vasai East, District - Palghar, Maharashtra – 401 208, India.

Telephone: +91 9702813877

E-mail: [compliance@electroforceindia.com](mailto:compliance@electroforceindia.com)

Website: [www.electroforceindia.com](http://www.electroforceindia.com)

CIN: U51909MH2010PLC204214

### Corporate Office of our Company

As on date of this Draft Prospectus, our Company does not have a corporate office.

### Registrar of Companies

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

Registrar of Companies, Mumbai 100, Everest, Marine Drive, Mumbai-400002, Maharashtra, India.

### Board of Directors of our Company

Set forth below are the details of our Board of Directors as on the date of this Draft Prospectus:

Sr. No.	Name	Designation	DIN	Address
1.	Mr. Arvind Sharma	Chairman and Non-Executive Director	10301091	H-28, Aram Bagh, Pahar Ganj, Central Delhi-110055.
2.	Mr. Saideep Shantaram Bagale	Whole-time Director	07196456	184/204, Jasmine CHS, Evershine City, Near St. Joseph High School, Gokhiware, Vasai East, Palghar-401208 Maharashtra, India
3.	Ms. Priyanka Yadav	Non-Executive Independent Director	08858855	407, Om Rachna Society, Sector 17, Vashi, Navi Mumbai-400703 Maharashtra, India.
4.	Mr. Dilip Kumar Swarnkar	Non-Executive Independent Director	10088552	Makan No, Ward No. 10 Post-Ramnagar Th-Jawad, Ramnaar Sudoli, Jawad Neemuch-458330 Madhya Pradesh, India
5.	Mr. Santosh Kumar Palaria	Executive Director	10094804	Sigrun Splendor No.104 D Wing, Evershine City Vasai East, Palghar Vasai Palghar 401208, Maharashtra, India.

For detailed profile of our Directors, please refer to the chapter titled “*Our Management*” on page 112 of the Draft Prospectus.

### Chief Financial Officer

Chandrashekhar Harishchandra Meher, is the Chief Financial Officer of our Company. His contact details are set forth hereunder.

39/5, Village - Waliv, Taluka - Vasai East, District - Palghar, Maharashtra – 401 208, India

Telephone: +91 22 35722456

E-mail: [compliance@electroforceindia.com](mailto:compliance@electroforceindia.com)

### Company Secretary and Compliance Officer

Reetu Bansal, is the Company Secretary and Compliance Officer of our Company. Her contact details are set forth hereunder.

39/5, Village - Waliv, Taluka - Vasai East, District - Palghar, Maharashtra – 401 208, India

**Telephone:** +91 22 35722456

**E-mail:** [compliance@electroforceindia.com](mailto:compliance@electroforceindia.com)

#### **Investor grievances**

**Applicants can contact the Compliance Officer or the Lead Manager or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems, such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary account and refund orders, etc. All complaints, queries or comments received by Stock Exchange / SEBI shall be forwarded to the Lead Manager, who shall respond to the same.**

Applicants may contact the Lead Manager for complaints, information or clarifications pertaining to the Issue.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted. The Applicant should give full details such as name of the sole or first Applicant, ASBA Form number, Applicant DP ID, Client ID, PAN, date of the ASBA Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

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

##### **Lead Manager**

##### **FIRST OVERSEAS CAPITAL LIMITED**

1-2 Bhupen Chambers, Dalal Street, Fountain,  
Mumbai – 400 001, Maharashtra, India.

**Telephone:** +91 22 4050 9999

**Email ID:** [mb@focl.in](mailto:mb@focl.in)

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

**Investor Grievance ID:** [investorcomplaints@focl.in](mailto:investorcomplaints@focl.in)

**Contact Person:** Mala Soneji /Rushabh Shroff

**SEBI Registration Number:** INM000003671

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

##### **SKYLINE FINANCIAL SERVICES PRIVATE LIMITED**

D-153 A, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase - I, New Delhi-110020, India

**Contact Person:** Rati Gupta

**Tel:** +91-11-40450193/197

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

**Investor grievance e-mail:** [grievances@skylinerta.com](mailto:grievances@skylinerta.com)

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

**SEBI Registration No. :** INR000003241

##### **Legal Advisor to the Issue**

##### **R & J Associates**

Office No. 6, Om Anand CHS, Louiswadi, Thane 400602

**Contact Person:** Gauri Sutar

**Telephone:** +91 9619245412

##### **Statutory and Peer Review Auditor of our Company**

##### **Mittal Agarwal and Company,**

Chartered Accountants

404, Madhu Industrial Estate, Mogra Cross Road,

Near Apollo Chambers Andheri (East),

Mumbai-400069, Maharashtra, India.

**Telephone:** +91- 22 28324532

**Facsimile:** NA

**Email:** [deepeshmittal@mittalagarwal.com](mailto:deepeshmittal@mittalagarwal.com) / [piyush@mittalagarwal.com](mailto:piyush@mittalagarwal.com)

**Contact Person:** Mr. Deepesh Mittal

**Membership No.:** 539486

**Firm Registration No.:** 131025W

**Peer Review Certificate No.:** 010901\*

*\* valid upto April 30, 2025*

### **Bankers to our Company**

#### **The Federal Bank Limited**

P B NO. 17387, 8, 9,10, LARAM CENTRE, S.V.ROAD, ANDHERI (WEST), MUMBAI, 400 058, MAHARASHTRA

**Telephone:** +91 22 26288115

**Email:** [bbyb@federalbank.co.in](mailto:bbyb@federalbank.co.in)

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

**Contact Person:** Swati Pandey

**Designation:** Branch Manager

### **Advisor to the Company**

#### **Anumodnam Consulting Private Limited**

B/205, Shri Venkateshwar Nagar, Bldng 2 CHS Ltd, Cabin Rd, Bhayander (E) Thane MH 401105

**Contact Person:** Rajvirendra Singh Rajpurohit

**Telephone:** +91 +91 84509 38466

### **Banker to the Issue**

The Banker(s) to the Issue shall be appointed prior to filing of the Prospectus.

### **Designated Intermediaries**

#### *Self-Certified Syndicate Banks*

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Applying using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>) and (<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43>) respectively, as updated from time to time.

### **SCSBs enabled for UPI Mechanism**

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

### **Registered Brokers**

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

### **Registrar and Share Transfer Agent**

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the website of NSE at [www.nseindia.com/products/content/equities/ipo/asba\\_procedures](http://www.nseindia.com/products/content/equities/ipo/asba_procedures) as updated from time to time.

#### *Collecting Depository Participants*



The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the website of NSE at [http://www.nseindia.com/products/content/equities/ipos/asba\\_procedures](http://www.nseindia.com/products/content/equities/ipos/asba_procedures) as updated from time to time.

### **IPO Grading**

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

### **Credit Rating**

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

### **Green Shoe Option**

No Green Shoe Option is applicable for this Issue.

### **Brokers to the Issue**

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

### **Debenture Trustees**

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

### **Monitoring Agency**

As the Net Proceeds of the Issue will be less than ₹10,000 lacs, under the SEBI ICDR Regulations, it is not required that a monitoring agency be appointed by our Company.

### **Appraising Entity**

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

### **Type of Issue**

The present Issue is considered to be 100% fixed price Issue.

### **Expert Opinion**

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

Our Company has received written consent dated August 31, 2023 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated September 07, 2023 on our restated financial information; and (ii) its report dated September 08, 2023 on the statement of possible special tax benefits in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus.

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

First Overseas Capital Limited being the sole Lead Manager will be responsible for all the responsibilities related to co-ordination and other activities in relation to the Issue. Hence, a statement of inter se allocation of responsibilities is not required.

### **Filing**

The Draft Prospectus will not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in terms of Regulation 246 (2) of SEBI ICDR Regulations. However, pursuant to sub regulation (5) of Regulation 246 of the SEBI ICDR Regulations, a copy of Draft Prospectus shall be furnished to the Board. Pursuant to SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Draft Prospectus will be filed online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Further, a copy of this Draft Prospectus, will be filed with the SME Platform of National Stock Exchange of India Limited, where the Equity Shares are proposed to be listed.

A copy of the Draft Prospectus, along with the material contracts and documents will also be submitted to the ROC under Section 32 26 and Section 26 28 of the Companies Act, 2013 at its office situated at:

Registrar of Companies, Mumbai,  
100, Everest, Marine Drive, Mumbai-400002, Maharashtra, India.

### **Changes in Auditors during the last three years**

Except as stated below, there has been no change in the Auditors of our Company during the last three years:

Name of Auditor	Date of Appointment	Date of Cessation	Reason for change
<b>A BHUTRA &amp; ASSOCIATES,</b> Chartered Accountants <b>Address:</b> Near Digamber Jain Mandir, Sadar Bazar, Gulabpura, Bhilwara, Rajasthan-311021 <b>Contact Person:</b> Alokiram Bhutra <b>Email id:</b> <a href="mailto:alokiram.bhutra@gmail.com">alokiram.bhutra@gmail.com</a> <b>Firm Registration Number:</b> 020770C <b>Membership Number:</b> 142786	September 30, 2017	November 18, 2020	Difficulty in COVID-19 pandemic time & not in position in travel
<b>ABNJ &amp; Co.,</b> <b>Address:</b> 302, Nav Vivek Indl. Estate, Mogal Lane, behind Johnson & Johnson, Mahim (W) Mumbai - 400016 Maharashtra India <b>Contact Person:</b> Nilesh Mundada <b>Email Id:</b> <a href="mailto:office@abnjca.com">office@abnjca.com</a> <b>Firm Registration Number:</b> 121677W <b>Membership Number:</b> 131013	December 02, 2020	NA	Appointment as Auditor to fill the casual vacancy.
<b>ABNJ &amp; Co.,</b> <b>Address:</b> 302, Nav Vivek Indl. Estate, Mogal Lane, behind Johnson & Johnson, Mahim (W) Mumbai - 400016 Maharashtra India <b>Contact Person:</b> Nilesh Mundada <b>Email Id:</b> <a href="mailto:office@abnjca.com">office@abnjca.com</a> <b>Firm Registration Number:</b> 121677W <b>Membership Number:</b> 131013	December 31, 2020	February 11, 2023	Professional pre-occupation
<b>Mittal Agarwal and Company, Chartered Accountants,</b> Chartered Accountants, <b>Address:</b> 404, Madhu Industrial Estate Mogra Cross Road Near Apollo Chambers Andheri (East) Mumbai 400 069 Maharashtra, India <b>Contact Person:</b> Deepesh Mittal <b>Email:</b> <a href="mailto:deepeshmittal@mittalagarwal.com">deepeshmittal@mittalagarwal.com</a> / <a href="mailto:piyush@mittalagarwal.com">piyush@mittalagarwal.com</a> <b>Firm Registration Number:</b> 131025W <b>Membership Number:</b> 539486	February 14, 2023	NA	NA

### Issue Programme

An indicative time table in respect of the Issue is set out below:

Event	Indicative Date
Issue Opening Date	[●]
Issue Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of Allotment / Refunds / Unblocking of Funds <sup>(1)</sup>	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or about [●]

<sup>(1)</sup>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 Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. For the avoidance of doubt, the provisions of the SEBI circular 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 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable

**The above timetable is indicative and does not constitute any obligation on our Company or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing**

and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of the Draft Prospectus and Prospectus may result in changes to the above mentioned timelines. Further, the issue procedure is subject to change to any revised SEBI circulars to this effect.

Applications and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Applications and any revision to the same shall be accepted between 10.00 a.m. and 3.00 p.m. (IST) or such extended time as permitted by the Stock Exchange, in case of Applications by Retail Individual Applicants after taking into account the total number of applications received up to the closure of timings and reported by the Lead Manager to the Stock Exchange. It is clarified that Applications not uploaded on the electronic system would be rejected. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Applications on the Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Issue Closing Date and, in any case, no later than 3.00 p.m. (IST) on the Issue Closing Date. All times mentioned in this Draft Prospectus are Indian Standard Times. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Business Days. Neither our Company nor the Lead Manager is liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise.

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

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

For further details, see “*Issue Structure*” and “*Issue Procedure*” beginning on pages 209 and **Error! Bookmark not defined.**, respectively.

Applicants should note the Issue is also subject to (i) obtaining final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment; and (ii) filing of the Draft Prospectus with the ROC.

### Underwriting Agreement

After the determination of the Issue Price, but prior to the filing of the Draft Prospectus with the ROC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions specified therein:

The Underwriters have indicated their intention to underwrite the following number of Equity Share:

(₹ in lacs)

Name, address, telephone number, Facsimile and e-mail addresses of the Underwriters	Indicative Number of Equity Shares to be Underwritten	Amount Underwritten	% of the total Issue size Underwritten
[●]	[●]	[●]	[●]

The above-mentioned is indicative underwriting and will be finalised after determination of Issue Price and Basis of Allotment and subject to the provisions of the SEBI ICDR Regulations.

In the opinion of the Board, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI or registered as brokers with the Stock Exchange(s).

The Board, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company. Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment.

### Details of Market Making Arrangement for the Issue

Our Company has entered into a Market Making Agreement dated [●] with the following Market Maker for fulfilling the Market Making obligations under this Issue:

[●]	[●]	[●]
-----	-----	-----

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

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

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

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by Stock Exchange. Further, the Market Maker shall inform Stock Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The minimum depth of the quote shall be ₹ 1,00,000. However, the Investors with holdings of value less than ₹ 1,00,000 shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. After a period of three (3) months from the market making period, the market maker would be exempted to provide quote if the Equity Shares of Market Maker in our Company reaches to 25% (Including the 5% of Equity Shares of the Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 5% of Issue Size would not be taken in to consideration of computing the threshold of 25%. As soon as the Shares of Market Maker in our Company reduce to 24%, the market maker will resume providing 2-way quotes.
4. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts its inventory through market making process, the concerned Stock Exchange may intimate the same to SEBI after due verification.
5. The Inventory Management and Buying/Selling Quotations and its mechanism shall be as per the relevant circulars issued by SEBI and Emerge Platform of NSE from time to time.
6. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by them.
7. The prices quoted by the Market Maker shall be in compliance with the Market Maker Spread requirements and other particulars as specified or as per the requirements of the Emerge Platform of NSE and SEBI from time to time.
8. The Market Maker shall not be responsible to maintain the price of the Equity Shares of the Issuer Company at any particular level and is purely supposed to facilitate liquidity on the counter of Cell Point (India) Limited via its 2-way quotes. The price of the Equity Shares shall be determined and be subject to market forces.
9. There would not be more than (5) five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, [●] Limited is acting as the sole Market Maker.
10. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
11. The shares of the company will be traded in continuous trading session from the time and day the company gets listed on Emerge Platform of NSE and market maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.
12. The Market Maker has to act in that capacity for a period of three years.

13. 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.
14. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Managers, who shall then be responsible to appoint a replacement Market Maker.
15. 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 Lead Manager/Merchant Banker to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager/Merchant Banker reserve the right to appoint other Market Maker(s) 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 5 (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.
16. **Risk containment measures and monitoring for Market Maker:** Emerge Platform of NSE will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
17. **Punitive Action in case of default by Market Maker:** Emerge Platform of NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

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

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

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

The following spread will be applicable on the SME Exchange Platform.

Sr. No.	Market Price Slab (in Rs.)	Proposed spread (in % to sale price)
1.	Up to 50	9
2.	50 to 75	8
3.	75 to 100	6
4.	Above 100	5

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

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

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

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

## CAPITAL STRUCTURE

The share capital of our Company as on date of this Draft Prospectus is set forth below:

(Amount in Rs. except share data)

Sr. No.	Particulars	Aggregate Value at Nominal Value	Aggregate Value at Issue Price
<b>A.</b>	<b>Authorised Share Capital out of which:</b>		
	2,60,00,000 equity shares of face value of ₹10.00/- each	26,00,00,000	-
<b>B.</b>	<b>Issued, Subscribed and Paid-up Share Capital before the Issue out of which</b>		
	1,74,00,001 equity shares of face value of ₹10.00/- each	17,40,00,010	-
<b>C.</b>	<b>Present Offer in terms of this Draft Prospectus<sup>(1)</sup></b>		
	Offer of Upto 86,75,000* Equity Shares of ₹ 10/- each at a price of ₹ [●] per Equity Share	8,67,50,000	[●]
	Offer for sale of upto 26,75,000 Equity Shares of ₹ 10/- each at a price of ₹ [●] per Equity Share	2,67,50,000	[●]
	Fresh Issue of Upto 60,00,000* Equity Shares of ₹ 10/- each at a price of ₹ [●] per Equity Share	6,00,00,000	[●]
	<b>Which comprises:</b>		
	[●] Equity Shares of Rs. 10/- each at a price of Rs. [●] per Equity Share reserved as Market Maker Portion	[●]	[●]
	Net Issue to Public of [●] Equity Shares of Rs. 10/- each at a price of Rs. [●] per Equity Share to the Public	[●]	[●]
	<b>Of which<sup>(2)</sup>:</b>		
	Up to [●] Equity Shares of Rs. 10/- each at a price of Rs. [●] per Equity Share will be available for allocation for Investors of up to Rs. 2.00 lakhs	[●]	[●]
	Up to [●] Equity Shares of Rs. 10/- each at a price of Rs. [●] per Equity Share will be available for allocation for Investors of above Rs. 2.00 lakhs	[●]	[●]
<b>D.</b>	<b>Paid-up Share Capital after the Issue</b>		
	[●] Equity Shares of Rs. 10/- each		[●]
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Issue	0.00	
	After the Issue		[●]

<sup>(1)</sup>This Issue has been authorised by our Board vide resolution dated August 31, 2023 which is subsequently approved by our Shareholders vide special resolution passed under clause (c) of sub-section (1) of Section 62 of Companies Act, 2013 at an extra-ordinary general meeting dated September 01, 2023.

<sup>(2)</sup> The Selling Shareholder has specifically confirmed that its respective portion of the Offered Shares are eligible to be offered for sale in the Offer in accordance with the SEBI ICDR Regulations. Our Board of Directors has taken on record the approval for the Offer for Sale by the Selling Shareholder pursuant to a resolution dated August 31, 2023, For further details of authorizations received for the Offer for Sale, see “Other Regulatory and Statutory Disclosures” on page 188 of this Draft Prospectus.

<sup>(3)</sup> Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under-subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

Our Company may consider issuing Equity Shares on a private placement basis for cash consideration aggregating up to ₹1000.00 Lakhs. The Pre-IPO Placement may be undertaken by our Company at its discretion. The Pre-IPO Placement will be at a price to be decided by our Company, in consultation with the Lead Managers and the Pre-IPO Placement, if any, will be undertaken prior to filing of the Final Prospectus with the RoC. If the Pre-IPO Placement is undertaken, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Issue, subject to the minimum Offer size constituting at least 25% of the post-Issue paid-up Equity Share capital of our Company.

## Classes of Shares

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

## Details of changes in Authorized Share Capital of our Company since incorporation

The initial authorised capital of our Company was Rs. 1,00,000/- (Rupees One Lakh only) divided into 10,000 Equity Shares of Rs. 10/- each. Further, the authorised share capital of our Company has been altered in the manner set forth below:

Date of Shareholder's Meeting	Particulars of Change		AGM/EGM
	From	To	
NA	-	₹1,00,000/- divided into 10,000 Equity Shares of ₹10/- each	Initial subscription to the Memorandum of Association
January 24, 2011	₹1,00,000/- divided into 10,000 Equity Shares of ₹10/- each	₹ 5,00,00,000/- comprising of 50,00,000 equity shares of face value of ₹10.00/- each	EGM
February 14, 2023	₹ 5,00,00,000/- comprising of 50,00,000 equity shares of face value of ₹10.00/- each	₹26,00,00,000.00 comprising of 2,60,00,000 equity shares of face value of ₹10.00/- each	EGM

## NOTES TO THE CAPITAL STRUCTURE

### 1. Share Capital History of our Company:

#### Equity Share Capital

#### Notes to the Capital Structure

Date of Allotment	No. of Equity Shares	Face value (Rs.)	Issue Price (Rs.)	Nature of consideration	Reason/Nature of Allotment	Cumulative number of Equity Shares	Cumulative paid-up Capital (Rs.)
April 14, 2010 <sup>(1)</sup>	10,000	10	10	Cash	Subscription to Memorandum of Association	10,000	100,000
September 03, 2010 <sup>(2)</sup>	2,500	10	10	Cash	Further Issue	12,500	1,25,000
March 30, 2011 <sup>(3)</sup>	49,87,500	10	10	Cash	Further Issue	50,00,000	50,00,000
March 31, 2023 <sup>(4)</sup>	1,24,00,001	10	Nil	Cash	Bonus Issue	1,74,00,001	17,40,00,01

#### Notes to the Capital Structure

The following table sets forth details of the history of paid-up Equity Share capital of our Company:

<sup>(1)</sup> Initial subscription to Memorandum of Association of 5,000 Equity Shares by Mr. Pravin Kumar Brijendra Kumar Agarwal and 5,000 Equity Shares by Mr. Alok Kumar Brijendra Kumar Agarwal;

<sup>(2)</sup> Through the further issue total allotted of 2500 Equity Shares to Ms. Hetal parmar.

<sup>(3)</sup> Through the further issue total allotted of 26,95,000 Equity Shares to Mr. Alok Kumar Brijendra Kumar Agarwal 11,500 Equity Shares, to Mr. Sudhir Kumar Agarwal 16,500 Equity shares, Mr. Pravin Kumar Brijendra Kumar Agarwal to 17,000 Equity shares, to Ms. Hetal parmar 22,47,500 Equity shares and to M/s. Ayesspea Holdings and Investments Limited 26,95,000 Equity shares.



(4) Bonus Issue (ratio of 62 Equity Shares for every 25 Equity Shares held) of 1,24,00,001 total number Equity Shares out allotted to Ayesspea Holdings and Investments Private Limited 9808326 Equity shares, Mr. Pravin Kumar Brijendra Kumar Agarwal 133920 Equity shares M/s. Deepa Travel Pvt Ltd 25 Equity shares, Garuda Television Private Limited 24,55,200 Equity shares, Mrs. Jyotsna Agrawal 2,480 Equity shares, and Aroma Coffees Private Limited 25 Equity shares

Our Company do not have any preference share capital as on the date of this Draft Prospectus.

**2. Issue of equity shares for consideration other than cash or out of revaluation reserves and through Bonus Issue:**

Date of allotment	Name of the allottee	No. of shares allotted	Face value per share	Issue price per share	Reason for allotment	Benefits incurred to our Company
March 31, 2023	Pravin Kumar Agarwal	1,33,920	₹10.00	N.A.	Bonus Issue	Capitalization of reserves and surplus
	Ayesspea Holdings and Investments Private Limited	98,08,326	₹10.00	N.A.		
	Garuda Television Pvt Ltd	24,55,200	₹10.00	N.A.		
	Jyotsna Agarwal	2,480	₹10.00	N.A.		
	Deepa Travel Private Limited	25	₹10.00	N.A.		
	Aroma Coffees Private Limited	25	₹10.00	N.A.		

Except as stated in the above table, our Company has not issued any Equity Shares for consideration other than cash as on date of this Draft Prospectus.

3. As of date of this Draft Prospectus, our Company has not allotted Equity Shares pursuant to any scheme approved under sections 391-394 of the Companies Act, 1956 and/or sections 230-232 of the Companies Act, 2013.
4. Our Company has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation of reserves.
5. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Plan for our employees, and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
6. There are no equity shares against which depository receipts have been issued.
7. As on the date filing this Draft Prospectus, other than the equity shares, there are no other class of securities issued by our Company. Further, our Company does not have any preference share capital as on the date filing this Draft Prospectus.
8. All the Equity Shares of our Company are fully paid up as on the date of this Draft Prospectus. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be allotted fully paid-up equity shares.
9. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.

**10. Shareholding Pattern of our Company**

The table below represents the shareholding pattern of our Company as on the date of this Draft Prospectus:

Category (I)	Category of Share- holder (II)	No. of Share-holder (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)		Total Nos. Shares held (VII) = (IV) + (V) + (VI)	Shareholding as a % of total No. of Shares (calculated As per SCRR, 1957)(VIII)	Number of Voting Rights held in each Class of securities (IX)			Total As a % of (A+B+C)	No of Underlying Outstanding Convertible securities (incl. Warrants) (X)	Share Holding as a % assuming Full convertible securities (as a % of Diluted Share Capital)(XI)=(VII)+(X) As a % of (A+B+C2)	Number of Locked In shares (XII)		No. of shares Pledged Or Otherwise encumbered (XIII)		No. of Equity shares held in Demat form (XIV)
								No of voting Right						No (a)	As a % of total shares held (b)	No (a)	As a % of total shares held (b)	
								Class Equity	Class	Total								
A	Promoters & Promoter Group	7	17400001	-	-	17400001	100	17400001	-	17400001	100	-	100	[•]	[•]	[•]	[•]	0
B	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	Non Promoters Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	Shares Underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	<b>Total</b>	<b>7</b>	17400001	-	-	1740000 1	<b>100</b>	1740000 1	-	17400001	<b>10</b> <b>0</b>	-	<b>100</b>	[•]	[•]	-	-	0
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*Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one (1) day prior to the listing of the Equity shares. The shareholding pattern will be uploaded on the website of Stock Exchanges before commencement of trading of such Equity Shares.*

## 11. Other details of shareholding of our Company

- a) Particulars of the shareholders holding 1% or more of the paid-up share capital of our Company aggregating to 99.98% of the paid-up share capital and the number of shares held by them as on the date of filing of this Draft Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1	Pravin Kumar Brijendra Kumar Agarwal	1,87,920	1.08%
2	Ayesspea Holdings and Investments Private Limited	1,37,63,296	79.10%
3	Garuda Television Pvt Ltd	34,45,200	19.80%
<b>Total</b>		1,73,96,381	99.98%

- b) Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them ten (10) days prior to the date of filing of this Draft Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1	Pravin Kumar Brijendra Kumar Agarwal	1,87,920	1.08%
2	Ayesspea Holdings and Investments Private Limited	1,37,63,296	79.10%
3	Garuda Television Pvt Ltd	34,45,200	19.80%
<b>Total</b>		1,73,96,381	99.98%

- c) Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them one (01) year prior to the date of filing of this Draft Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1	Pravin Kumar Brijendra Kumar Agarwal	54,000	1.08%
2	Ayesspea Holdings and Investment Private Limited	39,54,970	79.10%
3	Garuda Television Pvt Ltd	9,90,000	19.80%
<b>Total</b>		49,98,970	99.98

- d) Particulars of the shareholders holding 1% or more of the paid-up equity share capital of our Company and the number of shares held by them two (02) years prior to filing of this Draft Prospectus:

Sr. No.	Particulars	No. of Equity Shares	% of Shares to Pre – Issue Equity Share Capital
1	Ayesspea Holdings and Investments Private Limited	39,55,000	79.10
2	Garuda Television Private Limited	9,90,000	19.80

3	Pravin Kumar Brijendra Kumar Agarwal	54,000	1.08
		<b>49,99,000</b>	<b>99.98</b>

- e) None of the shareholders of our Company holding 1% or more of the paid-up capital of the Company as on the date of the filing of the Draft Prospectus are entitled to any Equity Shares upon exercise of warrant, option or right to convert a debenture, loan or other instrument.
- f) Our Company has not made any initial public offer of its Equity Shares or any convertible securities during the preceding 02 (two) years from the date of this Draft Prospectus. However Equity Shares allotted during last 2 years is as disclosed below:

Date of Allotment	No. of Equity Shares	Face value (Rs.)	Issue Price (Rs.)	Nature of consideration	Reason/Nature of Allotment
March 31, 2023	1,24,00,001	10	Nil	Cash	Bonus Issue

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

Sr. No.	Name of Promoters	No. of Equity Shares	Cost of Acquisition (In ₹)
1	Pravin Kumar Brijendra Kumar Agarwal	1,87,920	2.87
2	Ayesspea Holdings and Investments Private Limited	1,37,63,296	2.87

- h) Weighted Average Price of the Equity Shares acquired by our Promoters in the last one year preceding the date of this Draft Prospectus

Name of Promoters	No. of Shares Held	Weighted Average Price (in Rs.)
Ayesspea Holdings and Investments Private Limited	NIL	NA
Pravin Kumar Brijendra Kumar Agarwal	NIL	NA

12. Our Company does not have any intention or proposal to alter its capital structure within a period of six (06) 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 whether preferential or bonus, rights or further public issue basis. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the opening of the Issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

13. Build-up of the Promoters' shareholding in our Company:

Set forth below are the details of the build-up of shareholding of our Promoter: Mr. Pravin Kumar Brijendra Kumar Agarwal.

Nature of transaction	Date of Allotment/ Transfer / Transmission	No. of Equity Shares	Face value per Equity Share	Issue Price/ Transfer Price per Equity Share	% of Pre-Issue Equity Share Capital	% of Post-Issue Equity Share Capital*
Mr. Pravin Kumar Brijendra Kumar Agarwal						
Allotment as Initial subscriber to the MoA	June 05, 2010	5,000	₹10.00	₹10.00	0.03%	[•]

Nature of transaction	Date of Allotment/ Transfer / Transmission	No. of Equity Shares	Face value per Equity Share	Issue Price/ Transfer Price per Equity Share	% of Pre-Issue Equity Share Capital	% of Post-Issue Equity Share Capital*
Further issue of shares	March 30, 2011	17000	₹10.00	₹10.00	0.098%	[●]
Transfer from Mr. Alok kumar Agarwal*	March 28, 2017	16,500	₹10.00	Nil	0.095%	[●]
Transfer from Mr. Satish kumar Agarwal*	March 28, 2017	15,500	₹10.00	Nil	0.089%	[●]
Bonus Issue	March 31, 2023	1,33,920	₹10.00	Not Applicable	0.77%	[●]
Total	-	1,87,920	₹10.00	-	1.08%	[●]

\*transferred pursuant to family settlement.

Set forth below are the details of the build-up of shareholding of our Promoter: Ayesspea Holdings and Investments Private Limited

Nature of transaction	Date of Allotment/ Transfer / Transmission	No. of Equity Shares	Face value per Equity Share	Issue Price/ Transfer Price per Equity Share	% of Pre-Issue Equity Share Capital	% of Post-Issue Equity Share Capital*
Ayesspea Holdings and Investments Private Limited						
Further issue of shares	March 30, 2011	2695000	₹10.00	₹10.00	15.49%	[●]
Transfer to Garuda Construction and Engineering Private Limited	January 12, 2015	(9,90,000 )	₹10.00	₹10.00	(5.69%)	[●]
Transfer from PKH Ventures Limited	April 30, 2020	22,50,000	₹10.00	₹10.00	12.93%	[●]
Transfer to #	May 05, 2022	(30)	₹10.00	₹10.00	Negligible	[●]
Bonus Issue	March 31, 2023	98,08,326	₹10.00	Not Applicable	56.37%	[●]
Total	-	1,37,63,296	-	-	79.10%	[●]

#10 Shares Each Transferred to Deepa Travel Private Limited, Aroma Coffees Private Limited and Garuda Aviation Services Private Limited

14. As on the date of the Draft Prospectus, the Company has 7 (Seven) members/shareholders.

15. The details of the Shareholding of the members of the Promoter Group as on the date of this Draft Prospectus are set forth in the table below:

Sr. No.	Name of the Shareholder	Pre-Issue Equity Share Capital		Post-Issue Equity Share Capital*	
		No. of Equity Shares	% of total Shareholding	No. of Equity Shares	% of total Shareholding
1	Pravin Kumar Brijendra Kumar Agarwal	1,87,920	1.08%	1,87,920	[•]
2	Ayesspea Holdings and Investments Private Limited	1,37,63,296	79.10%	[•]	[•]
3	Garuda Television Private Limited	34,45,200	19.80%	34,45,200	[•]
4	Jyotsna Agarwal	3480	0.02%	3480	[•]
5	Deepa Travel Private limited	35	Negligible	35	[•]
6	Aroma Coffees Private Limited	35	Negligible	35	[•]
7	Garuda Aviation Services Private Limited	35	Negligible	35	[•]

16. Except as stated in “Shareholding of our Promoters” on page 124 , the Promoters, Promoter Group, Directors of our Company and their relatives have not undertaken purchase or sale transactions in the Equity Shares of our Company, during a period of six (06) months preceding the date on which this Draft Prospectus is filed with Stock Exchange.

17. The Promoters, Promoter Group, Directors of our Company and their relatives have not undertaken purchase or sale transactions in the Equity Shares of our Company, during a period of six (06) months preceding the date on which this Draft Prospectus is filed with Stock Exchange.

18. There are no financing arrangements wherein the Promoters, Promoter Group, the Directors of our Company and their relatives, have 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 period of six (06) months immediately preceding the date of filing of the Draft Prospectus.

19. Promoter’s Contribution and other Lock-In details:

a) Pursuant to Regulation 236 and 238 of the SEBI (ICDR) Regulations, an aggregate of 20.00% of the fully diluted post-Issue capital of our Company held by the Promoters shall be locked in for a period of three years from the date of Allotment (“Minimum Promoter’ Contribution”), and the Promoters’ shareholding in excess of 20% of the fully diluted post-Issue Equity Share capital shall be locked in for a period of one year from the date of Allotment.

b) The lock-in of the Minimum Promoter’s Contribution would be created as per applicable laws and procedures and details of the same shall also be provided to the Stock exchange before the listing of the Equity Shares.

Following are the details of Minimum Promoter’s Contribution:

Number of Equity Shares locked-in <sup>*(1)(2)(3)</sup>	Nature of Allotment / Transfer	Date of Allotment and Date when made fully paid-up	Face value (in Rs.)	Issue / Acquisition Price per Equity Share (in Rs.)	Nature of consideration (cash / other than cash)	% of fully diluted post- Issue paid-up capital	Period of lock-in
Pravin Kumar Brijendra Kumar Agarwal and Ayesspea Holdings and Investments Private Limited							
[•]	[•]	[•]	[•]	[•]	[•]	[•]	3 years
TOTAL	[•]	[•]	[•]	[•]	[•]	[•]	3 years

\* Subject to finalization of Basis of Allotment.

*(1) For a period of three years from the date of allotment.*

*(2) All Equity Shares have been fully paid-up at the time of allotment.*

*(3) All Equity Shares held by our Promoters are in dematerialized form.*

For details on the build-up of the Equity Share capital held by our Promoters, see chapter titled “Capital Structure’ shareholding” on page 53.

The Promoter’s Contribution has been brought to the extent of not less than the specified minimum lot and from persons defined as ‘promoter’ under the SEBI (ICDR) Regulations.

- c) The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoter’s Contribution under Regulation 237 of the SEBI (ICDR) Regulations. In this computation, as per Regulation 237 of the SEBI (ICDR) Regulations, our Company confirms that the Equity Shares which are being locked-in do not, and shall 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 resulting from bonus issue by utilization of revaluations reserves or unrealized profits of the Company or from bonus issue against Equity Shares which are otherwise ineligible for minimum promoters’ contribution;
  - Equity Shares acquired during the preceding one year, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
  - Equity Shares issued to the Promoters upon conversion of a partnership firm;
  - Equity Shares held by the Promoters that are subject to any pledge; and
  - Equity Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of their subscription in the Promoters’ Contribution subject to lock-in.

Our Company has not been formed by the conversion of a partnership firm into a company in the past one year and thus, no Equity Shares have been issued to our Promoters upon conversion of a partnership firm in the past one year. All the Equity Shares held by the Promoters and the members of the Promoter Group are held in dematerialized form.

In terms of undertaking executed by our Promoters, Equity Shares forming part of Promoters’ Contribution subject to lock in will not be disposed/ sold/ transferred by our Promoters during the period starting from the date of filing of this Draft Prospectus till the date of commencement of lock in period as stated in this Draft Prospectus.

- d) Other than the Equity Shares locked-in as Promoter’s Contribution for a period of three years as stated in the table above, the entire pre-Issue capital of our Company, including the excess of minimum Promoter’ Contribution, as per Regulation 238 of the SEBI (ICDR) Regulations, shall be locked in for a period of one year from the date of Allotment of Equity Shares in the Issue. Such lock – in of the Equity Shares would be created as per the bye laws of the Depositories.

**e) *Other requirements in respect of ‘lock-in’***

In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be Transfer to any other person holding the Equity Shares which are locked-in as per Regulation 239 of the SEBI (ICDR) Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code as applicable.

In terms of Regulation 243 of the SEBI (ICDR) Regulations, the Equity Shares held by our Promoters which are locked in as per the provisions of Regulation 238 of the SEBI (ICDR) Regulations, may be Transfer to and amongst Promoters / members of the Promoter Group or to a new promoter or persons in control of our Company, subject to continuation of lock-in in the hands of transferees for the remaining period and compliance of Takeover Code, as applicable.



In terms of Regulation 242(a) of the SEBI (ICDR) Regulations, the locked-in Equity Shares held by our Promoters can be pledged only with any scheduled commercial banks or public financial institutions or a systemically important non-banking finance company or a housing finance company as collateral security for loans granted by such banks or financial institutions, provided that such loans have been granted for the purpose of financing one or more of the objects of the Issue and pledge of the Equity Shares is a term of sanction of such loans.

In terms of Regulation 242(b) of the SEBI ICDR Regulations, the Equity Shares held by the Promoters which are locked-in for a period of one year from the date of allotment may be pledged only with scheduled commercial banks, public financial institutions, systemically important non-banking finance companies or housing finance companies as collateral security for loans granted by such entities, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans.

20. Our Company, our Promoters, our Directors and the Lead Manager have no existing buyback arrangements or any other similar arrangements for the purchase of Equity Shares being offered through the Issue.
21. The post-Issue paid up Equity Share Capital of our Company shall not exceed the authorised Equity Share Capital of our Company.
22. There have been no financing arrangements whereby our Directors or any of their relatives have financed the purchase by any other person of securities of our Company during the six months immediately preceding the date of filing of this Draft Prospectus.
23. No person connected with the Issue, including, but not limited to, our Company, the members of the Syndicate, or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Issue.
24. There neither have been and there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of the Draft Prospectus until the Equity Shares have been listed on the Stock Exchange or all application monies have been refunded, as the case may be.
25. Our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Draft Prospectus.
26. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company will comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
27. Our Company shall ensure that any transactions in Equity Shares by our Promoters and the Promoter Group during the period between the date of filing the Draft Prospectus and the date of closure of the Issue, shall be reported to the Stock Exchanges within 24 hours of the transaction.
28. All Equity Shares issued pursuant to the Issue shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Prospectus.
29. As on the date of this Draft Prospectus, the Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.
30. Our Promoters and the members of our Promoter Group will not participate in the Issue.
31. Following are the details of Equity Shares of our Company held by our Directors, Key Management Personnel:

Sr. No.	Name of Director	Number of Equity Shares	% of the pre-Issue Equity Share Capital
NA			

32. Our Company has not raised any bridge loans which are proposed to be repaid from the proceeds of the Issue.
33. The members of the Promoter Group, our Directors or 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 6 (Six) months preceding the date of this Prospectus.
34. Our Company shall ensure that transactions in the Equity Shares by the Promoters and members forming a part of the Promoter Group and/ or Group Companies/Entities between the date of filing this Prospectus and the Issue Closing Date shall be reported to the Stock Exchanges within twenty-four hours of such transaction.
35. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under “Basis of Allotment” in the chapter titled “Issue Procedure” beginning on page **Error! Bookmark not defined.** of this Draft Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.
36. An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
37. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 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; so as to ensure that 20% of the post Issue paid-up capital is locked in.
38. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be effected in accordance with applicable laws, rules, regulations and guidelines
39. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoters to the persons who receive allotments, if any, in this Issue.
40. As on date of this Draft Prospectus, there are no outstanding financial instruments or any other rights that would entitle the existing Promoters or shareholders or any other person any option to receive Equity Shares after the Issue.

## OBJECT OF THE ISSUE

The Offer comprises a Fresh Issue of up to 60,00,000 Equity Shares, aggregating up to ₹ [●] lakhs by our Company and the Offer for Sale of up to 26,75,000 Equity Shares, aggregating up to ₹ [●] lakhs by Selling Shareholder, Ayesspea Holdings and Investments Private Limited.

### Offer for Sale

The proceeds of the Offer for Sale shall be received by the Selling Shareholder. Our Company will not receive any proceeds from the Offer for Sale. The Selling Shareholder will be entitled to its respective portion of the proceeds of the Offer for Sale, after deducting its respective portion of the Offer related expenses and relevant taxes thereon. For further details, see “Offer Expenses” on page 69 and for details of the Ayesspea Holdings and Investments Private Limited, see “Other Regulatory and Statutory Disclosures – Authority for the Offer” on page [●]

### Fresh Issue

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

1. Funding additional working capital requirements of our Company;
2. Pursuing Inorganic Growth
3. General corporate purposes.

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

The main objects clause and objects incidental and ancillary to the main objects set out in the Memorandum of Association enable us (i) to undertake our existing business activities; and (ii) to undertake the activities proposed to be funded from the Net Proceeds. Further, our Company expects to receive the benefits of listing of the Equity Shares, including to enhance our visibility and our brand image among our existing and potential customers and creation of a public market for our Equity Shares in India.

### Net Proceeds

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

Sr. No.	Particulars	Amount (₹ in lakhs)
1	Gross Proceeds from the Fresh Issue <sup>^</sup>	[●]
2	Less: Fresh Issue related Expenses*	[●]
<b>3</b>	<b>Net Proceeds of the Fresh Issue (“Net Proceeds”)</b>	<b>[●]</b>

\*The total Offer Expenses are estimated at ₹ [●] lakhs out of which ₹ [●] lakhs shall be borne by our Company and ₹ [●] lakhs shall be borne by the Promoter Selling Shareholder. For details with respect to sharing of fees and expenses amongst our Company and Selling Shareholder, see “- Offer Expenses” at page 69.

<sup>^</sup>Includes the proceeds, if any, received pursuant to the Pre-IPO Placement. Upon allotment of Equity Shares issued pursuant to the PreIPO Placement, we may utilise the proceeds from such Pre-IPO Placement towards the Objects of the Offer prior to completion of the Offer

### Requirement of funds and Utilization of Net Proceeds

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

Particulars	Amount* (₹ in lakhs)
Funding additional working capital requirements of our Company	2500.00
Pursuing Inorganic Growth	550.00
General corporate purposes**	[●]
<b>Total</b>	<b>[●]</b>

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

### Schedule of implementation

The entire amount of Fresh Issue Proceeds will be utilised during FY 2024 & Fiscal 2025 as details below in the section “Details of balance fund deployment”.

### Deployment of Funds in the Objects

Our Company has not incurred any expenditure on the Objects till September 08, 2023, the same is certified by Mittal & Agarwal and Company, Chartered Accountants vide their certificate dated September 08, 2023.

### Details of balance fund deployment

Sr. No.	Particulars	Expenses Already Incurred till September 08, 2023	FY 2024	FY 2025	Total
1	Funding additional working capital requirements of our Company	Nil	1300.00	1200.00	2500.00
2	Pursuing Inorganic Growth	Nil	550.00	-	550.00
3	General corporate purposes*	[●]	[●]	[●]	[●]
4.	Issue Related Expenses **	[●]	[●]	[●]	[●]
	<b>Total</b>	[●]	[●]	[●]	[●]

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

*\*\* The total offer expenses are estimated at ₹ [●] lakhs out of which ₹ [●] lakhs shall be borne by our Company and ₹ [●] lakhs shall be bore by the Promoter Selling Shareholders.*

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, economic & business conditions, management estimates, and other commercial and technical factors. We may have to revise our funding requirements and deployment from time to time on account of a variety of factors such as our financial and market condition, business and strategy, competition, variation in cost estimates on account of factors, including changes in design or configuration of the equipment and other external factors including changes in the price of the equipment due to variation in commodity prices which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose, subject to compliance with applicable law. For further details, please see “Risk Factors – The Objects of the Offer for which funds are being raised have not been appraised by any bank or financial institution. The deployment of funds is entirely at the discretion of our management and as per the details mentioned in the section titled “Objects of the Offer” Any revision in the estimates may require us to reschedule our expenditure and may have a bearing on our expected revenues and earnings” on page 65 To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects of the Offer, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent Fiscals towards the aforementioned objects.

### Means of Finance

Since the entire fund requirement are to be funded from the proceeds of the Fresh Issue and internal accruals, hence our Company is complying with requirement to make firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue.

In case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by our internal accruals and/ or debt, as required. If the actual utilisation towards any of the Objects is lower than the proposed deployment, such balance will be used for funding other Objects as mentioned above or towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the gross proceeds from the Fresh Issue in accordance with the SEBI ICDR Regulations.

#### Details of the Objects of the Offer:

##### 1. Funding additional working capital requirements of our Company

We propose to utilise ₹ 2500.00 lakhs from the Net Proceeds to fund the additional working capital requirements of our Company in Fiscal 2024 and 2025. Our business is working capital intensive and we fund a majority of our working capital requirements in the ordinary course of our business from our internal accruals.

##### (a) Basis of estimation of working capital requirement:

The details of our Company's working capital as at March 31, 2023, March 31, 2022 and March 31, 2021 derived from the Restated Financial Statements, and source of funding of the same are provided in the table below:

(₹ in lakhs)

Particulars	Fiscal 2021 (Audited)	No. of Days	Fiscal 2022 (Audited)	No. of Days	Fiscal 2023 (Audited)	No. of Days
<b>Current Assets</b>						
Inventories	208.39	48	204.24	22	1270.21	153
Trade Receivables	559.45	120	395.75	42	667.35	81
Other Current Assets	131.40		2780.86		4744.54	
<b>Total (A)</b>	<b>899.24</b>		<b>3380.85</b>		<b>6682.10</b>	
<b>Current Liabilities</b>						
Trade Payables	394.75	92	431.71	74	390.04	85
Other Current Liabilities & Short Term Provision	555.66		2425.67		5012.77	
<b>Total (B)</b>	<b>950.41</b>		<b>2857.38</b>		<b>5402.81</b>	
<b>Total Working Capital Requirement (A)-(B)</b>	<b>(51.17)</b>		<b>523.47</b>		<b>1279.29</b>	
<b>Funded through Internal Accruals and Equity</b>	<b>(51.17)</b>		<b>523.47</b>		<b>1279.29</b>	

As certified by the S N Gadiya & Co., Chartered Accountants pursuant to their certificate dated September 08, 2023.

##### (b) Estimated Working Capital Requirements

Our Company proposes to utilize ₹ 2500.00 lakhs of the Net Proceeds for our estimated working capital requirements. This entire amount will be utilized during Fiscal 2024 and Fiscal 2025 towards our Company's estimated working capital requirements. The balance portion of our Company working capital requirement shall be met from the working capital facilities availed/ to be availed and internal accruals. The estimated working capital requirements, as approved by the Board pursuant to a resolution dated September 08, 2023 and key assumptions with respect to the determination of the same are mentioned below. Our Company's estimated working capital requirements for Fiscal 2024 and fiscal 2025 the proposed funding of such working capital requirements are as set out in the table below:

(₹ in lakhs)

Particulars	Fiscal 2024 (Projected)	No. of Days	Fiscal 2025 (Projected)	No. of Days
<b>Current Assets</b>				
Inventories	1,476.04	130	1,712.20	111
Trade Receivables	985.00	87	1,355.00	88
Other Current Assets	4,740.00		4,370.00	
<b>Total (A)</b>	<b>7,201.04</b>		<b>7,437.20</b>	
<b>Current Liabilities</b>				
Trade Payables	586.24	92	780.15	83
Other Current Liabilities & Short Term Provision	3,939.77		2,606.23	
<b>Total (B)</b>	<b>4,526.01</b>		<b>3,386.38</b>	
<b>Total Working Capital Requirements (A)-(B)</b>	2,675.03		4,050.82	
<b>Funded through Internal Accruals /Equity</b>	1375.03		1550.82	
<b>Proposed to be Funded through IPO</b>	1300		2500*	

\*Cumulative figure of working capital is taken

The working capital projections made by our Company are based on certain key assumptions, as set out below:

Sr. No.	Particulars	Assumptions
<b>Current Assets</b>		
1	<i>Inventories:</i>	In order to achieve delivery efficiency, to capitalize on opportunity and cost competitiveness we need to maintain efficient inventory levels. In Fiscals 2021, 2022 and 2023 our inventory days were 48 days, 22 days and 153 days, respectively. We have estimated 130 days of inventory for the Fiscal 2024 and 111 days for the Fiscal 2025 to ensure adequate availability due our expected organic growth.
2	Trade receivables	In Fiscals 2021, 2022 and 2023 our receivable days were 130 days, 42 days and 81 days, respectively. We expect the receivable days at 87 days for Fiscal 2024 and 88 days for Fiscal 2025 with the availability of Net Proceeds.
3	Other current assets including Short term loans and advances	The key items under this head are prepaid expenses, advance to suppliers, balance with government authorities etc. However, going forward, we do not foresee any major change.
<b>Current Liabilities</b>		
4	Trade payables	Our trade payables have been for 92 days, 74 days and 85 days for Fiscals 2021, 2022 and 2023, respectively. However, going forward we estimate to maintain payables at 92 days for Fiscal 2024 and 83 days for Fiscal 2025 to avail best pricing from vendors.
5	Other current liabilities	Other current liabilities include provisions, statutory dues, expenses payable, etc. However, going forward, we do not foresee any major change.

\*As certified by the S N Gadiya & Co., Chartered Accountants pursuant to their certificate dated September 08, 2023.

## 2. Pursuing Inorganic Growth

We are planning to invest the approximately Rs. 550.00 Lakhs in an acquisition or a joint venture with a Company doing the business of similar nature or is a part of value chain. This will assist our company to cater to new customers,

new geographies and/or additional markets for our businesses and help us grow faster due to the growing demand for our Business as well as it will help us in saving cost which in-turn may help us to improve our profit margins. Such investments will not exceed 10.00% of the Gross Proceeds from the Fresh Issue. Our Management proposes to invest partly or fully in companies having similar line of business and that will help us expand our business either through backward integration or forward integration. Our management confirms that as on the date of filing this Draft Prospectus such target entities are not identified and it shall take the necessary approval and do necessary regulatory compliances as and when required.

### 3. General corporate purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] Lakhs towards general corporate purposes subject to such utilisation not exceeding 25% of the Gross Proceeds from the Fresh Issue, in compliance with Regulation 230(2) of the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise the Net Proceeds include but are not limited to funding growth opportunities, strategic initiatives, joint-ventures, partnerships, marketing and business development expenses, expansion of facilities and meeting exigencies and expenses incurred by our Company in the ordinary course of business. In addition to the above, our Company may utilise the Net Proceeds towards other expenditure (in the ordinary course of business) considered expedient and as approved periodically by the Board, subject to compliance with necessary provisions of the Companies Act. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board based on the business requirements of our Company, from time to time. Our Company's management, in accordance with the policies of the Board, shall have flexibility in utilising surplus amounts, if any. However, we confirm that the amount for general corporate purposes, as mentioned in objects of the issue, shall not exceed 25% of the fresh issue amount raised by our Company.

#### Offer Expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] lakhs. The expenses of this Offer include, among others, underwriting and management fees, printing and distribution expenses, advertisement expenses and legal fees, if applicable. The estimated Offer expenses are as follows:

<i>(₹ in lakhs)</i>				
Sr. No.	Particulars	Estimated expenses* @	As a % of the total estimated Offer expenses	As a % of the total Offer size
1.	Payment to Merchant Banker including, underwriting, and selling commissions, brokerages, Advisors to the Company, payment to other intermediaries such as Legal Advisors, Registrars etc. and other out of pocket expenses	[●]	[●]	[●]
2.	Advertising and marketing expenses	[●]	[●]	[●]
3.	Printing & Stationery, Distribution, Postage	[●]	[●]	[●]
4.	ROC, Regulatory and other expenses including Listing Fee	[●]	[●]	[●]
	<b>Total estimated Issue expenses</b>	[●]	[●]	[●]

\* The total offer expenses are estimated at ₹ [●] lakhs out of which ₹ [●] lakhs shall be borne by our Company and ₹ [●] lakhs shall be bore by the Promoter Selling Shareholders.

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

#### Interim Use of Funds

Pending utilization for the purposes described above, we undertake to temporarily deposit the funds from the Net Proceeds only in the scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, for the necessary duration. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in the equity shares of any other listed

company.

### **Appraisal Report**

None of the objects for which the Net Proceeds from the Issue will be utilised have been appraised by any financial institutions/banks.

### **Bridge Loan**

As of the date of this Draft Prospectus, our Company has not raised any bridge loans which are required to be repaid from the Net Proceeds. However, depending on its business requirements, our Company may consider raising bridge financing facilities, pending receipt of the Net Proceeds.

### **Monitoring of Utilization of Funds**

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

### **Variation in Objects**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the Objects of the Issue without our Company being authorized to do so by the shareholders by way of a special resolution. In addition, the notice issued to the shareholders in relation to the passing of such special resolution shall specify the prescribed details and be published in accordance with the Companies Act 2013.

Pursuant to the Companies Act 2013, the Promoters or controlling shareholders will be required to provide an exit opportunity to the shareholders who do not agree to such proposal to vary the Objects of the Issue at the fair market value of the Equity Shares as on the date of the resolution of our Board recommending such variation in the terms of the contracts or the objects referred to in the Draft Prospectus, in accordance with such terms and conditions as may be specified on this behalf by SEBI.

### **Other Confirmations**

No part of the Net Proceeds of the Issue will be utilized by our Company as consideration to our Promoters, members of the Promoter Group, Directors, Group Entities, or key management personnel. Our Company has not entered into or is not planning to enter into any arrangement/ agreements with Promoters, Directors, key management personnel, associates, or Group Entities in relation to the utilization of the Net Proceeds of the Issue.



## BASIS FOR ISSUE PRICE

The Issue Price has been determined by our Company in consultation with the Lead Manager on the basis of the key business strengths. The face value of the Equity Shares is Rs.10/- and Issue Price is Rs. [●]/- per Equity Shares and is [●] times of the face value. Investors should read the following basis with the sections titled “Risk Factors” and “Financial Information” and the chapter titled “Our Business” beginning on Page No.21, 134 and 80 respectively, of this Draft Prospectus to get a more informed view before making any investment decisions. The trading price of the Equity Shares of Our Company could decline due to these risk factors and you may lose all or part of your investments.

### Qualitative Factors

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

- Experienced Management team;
- High standard of product quality and customer service
- In-house R&D, tool room and continuous new product development
- Offering a variety of products to meet the needs of different customers.

For further details regarding some of the qualitative factors, which form the basis for computing the Issue Price, please refer chapter titled “Our Business” beginning on Page No. 80 of this Draft Prospectus.

### Quantitative Factors

The information presented in this section for the audited financial statements of the Company for the financial year ended March 31, 2023, March 31, 2022 and 2021 prepared in accordance with Indian GAAP, the Companies Act and Restated in accordance with SEBI ICDR Regulations. For more details on financial information, investors please refer the chapter titled “Financial Statements” beginning on Page No. 134 of this Draft Prospectus.

Investors should evaluate our Company taking into consideration its earnings and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the price are as follows:

#### 1) Basic and Diluted Earnings / Loss Per Share (“EPS”), as adjusted for changes in capital

	Basic & Diluted	
	EPS (in Rs.)	Weights
March 31, 2021	(1.29)	1
March 31, 2022	4.97	2
March 31, 2023	4.60	3
<b>Weighted Average</b>		3.74

#### Notes:

- a. Basic EPS has been calculated as per the following formula:

$$\text{Basic EPS (₹)} = \frac{\text{Net profit/ (loss) as restated, attributable to Equity Shareholders}}{\text{Weighted average number of Equity Shares outstanding during the year/period}}$$

- b. Diluted EPS has been calculated as per the following formula:

$$\text{Diluted EPS (₹)} = \frac{\text{Net profit/ (loss) as restated, attributable to Equity Shareholders}}{\text{Diluted Weighted average number of Equity Shares outstanding during the year/period}}$$

- c. Basic and Diluted EPS calculations are in accordance with Accounting Standard 20 “Earnings per Share”, notified under section 133 of Companies Act, 2013 read together along with paragraph 7 of Companies (Accounting) Rules, 2014.

- d. The above statement should be read in conjunction with Significant Accounting Policies and Notes to Restated Financial Statements as appearing in the section titled “*Financial Information*” beginning on Page No. 134 Draft Prospectus.

2) **Price Earnings Ratio (“P/E”) in relation to the Price of Rs. [●]/- per share of Rs. 10/- each**

Particulars	P/E*
P/E ratio based on Basic and Diluted EPS as at March 31, 2023	[●]
P/E ratio based on Weighted Average EPS	[●]

\*The same shall be updated once IPO Price is finalised and updated in the Draft Prospectus prior to opening of the Issue.

3) **Industry Price / Earning (P/E) Ratio**

Particulars	Industry P/E
Highest – Centum Electronics Limited	214.83
Lowest – RIR Power Electronics Limited	80.62
Average	147.72

**Note:**

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

4) **Average Return on Net worth (RONW)**

Period / Year ended	RoNW (%)	Weight
March 31, 2 2021	(130.45)	1
March 31, 2 2022	83.44	2
March 31, 2 2023	43.57	3
<b>Weighted Average</b>	<b>27.86%</b>	

**Note:** Return on Net worth has been calculated as per the following formula:

$$\text{RONW} = \frac{\text{Net profit/loss after tax, as restated}}{\text{Net worth excluding preference share capital and revaluation reserve}}$$

5) **Net Asset Value Per Share (NAV)**

Financial Year	NAV (in Rs.)
NAV as at March 31, 2023	10.55
NAV after Issue – at Issue Price	[●]
Issue Price (in Rs.)	[●]

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

$$\text{NAV} = \frac{\text{Net worth excluding preference share capital and revaluation reserve}}{\text{Outstanding number of Equity shares at the end of the year}}$$

## 6) Comparison with Industry Peers

Name of the Company	CMP*	Face Value (In Rs.)	EPS (In Rs.)	P/E Ratio#	RONW (%)	NAV (In Rs.)	Total Revenue (Rs. In Cr.)
Electro Force (India) Limited***	[●]	10	4.60	[●]	43.57	10.55	30.29
<b>Industry Peers</b>							
Centum Electronics Limited**	1637.00	10	7.62	214.83	31.77	158.37	928.82
RIR Power Electronics Limited**	700.55	10	8.69	80.62	18.08	47.59	59.43

\* Source : Issue Price for Electro Force and others closing market price on September 06, 2023 on BSE

\*\* Source: Data for Centum Electronics Limited and RIRI Power Electronics Limited is sourced from Consolidated Financials from Annual Report for FY 2023. RONW / EPS / NAV etc. is adjusted for face value

# P/E Ratio is computed by dividing the closing market price on September 06, 2023 on BSE by EPS

\*\*\*Electro Force financials are based on March 31, 2023

Since we are the Company engaged in manufacturing of electronic components sector, hence we have selected the Companies from the same sector with near comparable business model. Most of the listed Companies in the sector are very large compared to us and may have product portfolio larger than ours which may not be matching with our product portfolio, hence we have considered the listed Companies which are in the similar line of business as ours for comparison.

## 7) Key Performance Indicators:

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

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated August 31, 2023 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Draft Prospectus. Further, the KPIs herein have been certified by Mittal Agarwal and company; Chartered Accountants, by their certificate dated September 08, 2023, vide UDIN 3539486BGVOJC6631.

The KPIs of our Company have been disclosed in the sections titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators” on pages 80 and 170, respectively. We have described and defined the KPIs, as applicable, in “Definitions and Abbreviations” on page 2.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

## Financial KPIs of our Company

(Rs. In Lacs)

Particulars	For the year ended March 31		
	2023	2022	2021
Revenue from Operations	3025.04	3,439.65	1,574.28

Total Revenue	3028.81	3443.55	1587.13
EBITDA <sup>(1)</sup>	1134.82	1140.65	(154.63)
EBITDA Margin (%) <sup>(2)</sup>	37.51%	33.16%	(9.82%)
Net Worth <sup>(3)</sup>	1835.33	1035.73	171.47
Debt to Equity Ratio <sup>(4)</sup>	-	0.85	3.42
Current Ratio <sup>(5)</sup>	1.27	1.53	1.01

<sup>1)</sup>EBITDA = Profit before tax + depreciation & amortization expense + finance cost.

<sup>2)</sup>EBITDA Margin = EBITDA/ Total income.

<sup>3)</sup>Net Debt = Non-current borrowing + current borrowing - Cash and cash equivalent, Bank balance, and Investment in Mutual Funds.

<sup>4)</sup>Debt to Equity Ratio=Total Debt/ Networth

<sup>5)</sup>Current Ratio= Total Current Liabilities/ Total Current Assets.

### Explanation for KPI metrics

KPI	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of the Company and size of our business.
Total income	Total income is used by the management to track revenue from operations and other income.
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.
Net Debt	Non-current borrowing + current borrowing - Cash and cash equivalent, Bank balance, and Investment in Mutual Funds
Net Worth	Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.

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

### Financial KPIs of our peer group Companies

#### Centum Electronics Limited

(Rs. In Lacs)

Particulars	2023	2022	2021
Share Capital	1288.5	1288.5	1288.5
Net worth	21071.7	20396.8	22308.4
Total Revenue	92882.2	78796.4	82322.1
Profit after Tax	669.4	-5346.5	1203.9
Earnings per share (Basic & diluted) (₹)	7.62	-23.7	13.31
Net Asset Value per Equity Share (₹)	163.54	158.30	173.13
Total borrowings	26276.1	27259.9	31837.9

#### RIR Power Electronics Limited

(Rs. In Lacs)

Particulars	2023	2022	2021
Share Capital	693.91	690.26	688.27
Net worth	3302.63	2613.14	2205.85

Total Revenue	5943.12	4395.89	3074.75
Profit after Tax	597.12	281.09	133.07
Earnings per share (Basic & diluted) (₹)	8.69	4.09	1.97
Net Asset Value per Equity Share (₹)	47.59	37.86	32.05
Total borrowings	3191.19	2890.61	328.67

*Note: (1) Source: All the financial information for listed industry peers mentioned above is sourced from the regulatory filings made by aforesaid companies to stock exchanges for the respective years / period to compute the corresponding financial ratios.*

## 8) Weighted average cost of acquisition

- a. The price per share based on the primary/ new issue during of shares (equity / convertible securities) is Nil based on issuance of Equity Shares during last 18 months where such issuance 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 30 days.

Date of Allotment/ Transfer	No. of Equity Shares Allotted	FV (Rs.)	Issue Price/ Transfer Price/ Acquisition Price (Rs.)	Consideration (Cash, Bonus, Consideration other than cash)	Nature of Consideration/ Allotment/ Acquired/ Transfer
March 31, 2023	1,24,00,001	10	Nil	Bonus Issue	Cash

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

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

- c. Since there are no such transactions to report to under (a) and (b) therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoters / Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to irrespective of the size of transactions, is as below:

**Primary Transactions:** Except as disclosed below, there have been no primary transactions in the last three years preceding the date of this Draft Prospectus:

Date of Allotment/ Transfer	No. of Equity Shares Allotted	FV (Rs.)	Issue Price/ Transfer Price/ Acquisition Price (Rs.)	Consideration (Cash, Bonus, Consideration other than cash)	Nature of Consideration/ Allotment/ Acquired/ Transfer
March 31, 2023	1,24,00,001	10	Nil	Bonus Issue	Cash

**Secondary Transactions:** Except as disclosed below, there have been no secondary transactions by the Promoters, members of the Promoter Group or shareholder(s) having the right to nominate director(s) in the Board of Directors of our Company are a party to the transaction, in the last three years preceding the date of this Draft Prospectus:

Nature of transaction	Date of Allotment/ Transfer / Transmission	No. of Equity Shares	Face value per Equity Share	Issue Price/ Transfer Price per Equity Share	% of Pre-Issue Equity Share Capital	% of Post-Issue Equity Share Capital*
Ayesspea Holdings and Investments Private Limited						
Transfer to #	May 05, 2022	(30)	₹10.00	₹10.00	Negligible	[●]

*#10 Shares Each Transferred to Deepa Travel Private Limited, Aroma Coffees Private Limited and Garuda Aviation Services Private Limited*

d. Weighted average cost of acquisition, Issue Price

Types of transactions	Weighted average cost of acquisition (Rs. per Equity Shares)	Issue Price (i.e. Rs. [●])
Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above.	Nil	[●]
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above.	NA	[●]
Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 8(c) above	10	[●]

The Company in consultation with the Lead Manager believes that the Issue price of Rs. [●] per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the Risk Factors and Financials of the company including important profitability and return ratios, as set out in the Financial Statements included in this Draft Prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is Rs. 10/- per share and the Issue Price is [●] times of the face value i.e. Rs. [●] per share.

## STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

### The Board of Directors

#### Electro Force (India) Limited

39/5, Village - Waliv,  
Taluka - Vasai East,  
District - Palghar,  
Maharashtra – 401 208, India

Dear Sirs,

**Sub: Statement of possible special tax benefits available to Electro Force (India) Limited (“the Company”) and its shareholders under direct and indirect tax laws**

We refer to the proposed initial public offering of equity shares (the “Offer”) of the Company. We enclose herewith the annexure showing the current position of special tax benefits available to the Company and to its shareholders as per the provisions of the direct and indirect tax laws, including the Income-tax Act, 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017 (collectively the “GST Act”), the Customs Act, 1962 and the Customs Tariff Act, 1975, (collectively the “Taxation Laws”) including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws, as presently in force and applicable to the assessment year 2023-2024 relevant to the financial year 2022-23 for inclusion in the Draft Prospectus/ Prospectus for the proposed 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 taxation laws. Hence, the ability of the Company or its shareholders to derive these tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their 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.

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

- The Company or its Shareholders will continue to obtain these benefits in future;
- The conditions prescribed for availing the benefits 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 draft prospectus 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 is 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.*

*This statement has been prepared solely in connection with the offering of Equity shares by the Company under the Securities and Exchange Board of India ("SEBI") (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the Issue).*

**For Mittal Agarwal & Company, Chartered Accountants  
Chartered Accountants  
(Firm's Registration No. 131025W)**

**Deepesh Mittal  
(Partner)  
(M. No. 539486)  
(UDIN – 23539486BGVOJC6631)**

**Place: Mumbai  
Date: September 08, 2023**



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

### **Direct Taxation**

Outlined below are the special tax benefits available to the Company and its shareholders under the Income-tax Act, 1961 ('the Act'), as amended by Finance Act, 2022 i.e., applicable for Financial Year 2022-23 relevant to the Assessment Year 2023-24, presently in force in India

#### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

Section 115BAA, as inserted vide The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a rate of tax of 15% (plus applicable surcharge and education cess) for the financial year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified incentives/deductions or set-off of losses, depreciation etc. and claiming depreciation determined in the prescribed manner. In case a company opts for section 115BAA, provisions of Minimum Alternate Tax would not be applicable and earlier year MAT credit will not be available for set-off. The option needs to be exercised on or before the due date of filing the tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year.

The Company has represented to us that it applied section 115BAB for the assessment year 2023-24.

#### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS**

The Shareholders of the Company are not entitled to any special tax benefits under the Act.

### **Indirect Taxation**

Outlined below are the special tax benefits available to the Company and its shareholders under the Central Goods and Services Tax Act, 2017/ Integrated Goods and Services Tax Act, 2017 read with Rules, Circulars, and Notifications ("GST law"), the Customs Act, 1962, Customs Tariff Act, 1975 ("Customs law") and Foreign Trade Policy 2015-2020 ("FTP") (collectively referred as "Indirect Tax").

#### **A. SPECIAL TAX BENEFITS TO THE COMPANY**

There are no special tax benefits available to the Company under GST law.

#### **B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS**

The Shareholders of the Company are not entitled to any special tax benefits under the Indirect Tax.

## **SECTION V – ABOUT THE COMPANY**

### **INDUSTRY OVERVIEW**

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

#### **GLOBAL ECONOMIC OVERVIEW**

The global economy remains in a precarious state amid the protracted effects of the overlapping negative shocks of the pandemic, the Russian Federation’s invasion of Ukraine, and the sharp tightening of monetary policy to contain high inflation. The resilience that global economic activity exhibited earlier this year is expected to fade. Growth in several major economies was stronger than envisaged at the beginning of the year, with faster-than-expected economic reopening in China and resilient consumption in the United States. Nonetheless, for 2023 as a whole, global activity is projected to slow, with a pronounced deceleration in advanced economies and a sizable pickup in China (figure 1.1.A). Inflation pressures persist, and the drag on growth from the ongoing monetary tightening to restore price stability is expected to peak in 2023 in many major economies. Recent banking sector stress will further tighten credit conditions. This will result in a substantial growth deceleration in the second half of this year. This slowdown will compound a period of already-subdued growth—over the first half of the 2020s (2020-2024), growth in EMDEs is expected to average just 3.4 percent, one of the weakest half-decades of the past 30 years (figure 1.1.B). This slowdown reflects both cyclical dynamics and the current trend of declining global potential output growth (figure 1.1.C).

Global financial conditions have tightened as a result of policy rate hikes and, to a lesser extent, recent bouts of financial instability. Many banks experienced substantial unrealized losses due to the sharp rise in policy interest rates. Concerns about the viability of balance sheets of some banks led to depositor flight and market volatility in the United States and Europe earlier in the year, which were stemmed by a swift and extensive policy response. Financial markets remain highly sensitive to evolving expectations about the future path of interest rates of major central banks. Spillovers from banking turmoil in advanced economies to EMDEs have so far been limited. However, countries with more pronounced macroeconomic policy vulnerabilities, as reflected by lower credit ratings, have experienced slower growth and greater financial stress, including large currency depreciations and a sharp widening of sovereign spreads. Projections for 2023 growth in these economies have fallen by more than half over the past year (figure 1.1.D).

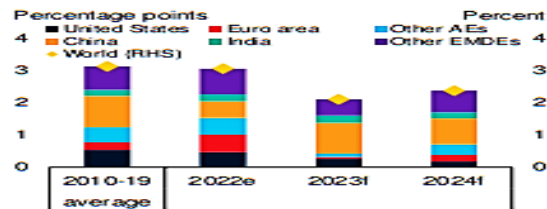
Inflation pressures persist. Although global headline inflation has been decelerating as a result of base effects, abating supply chain pressures, and falling commodity prices, core inflation in many countries remains elevated, and inflation is above target in almost all inflation-targeting economies. Inflation is expected to continue to be above its pre-pandemic level beyond 2024 (figure 1.1.E). That said, inflation expectations in most inflation targeting countries have so far not undergone a major shift and appear to remain anchored.

Energy prices have eased considerably since their peak in 2022 on account of weaker global growth prospects and a warmer-than-expected Northern winter, which reduced natural gas and electricity consumption. Metal prices increased in early 2023, reflecting signs of a stronger-than anticipated recovery in China, but subsequently retraced those gains. Agricultural prices have been easing on the back of good production prospects for most crops.

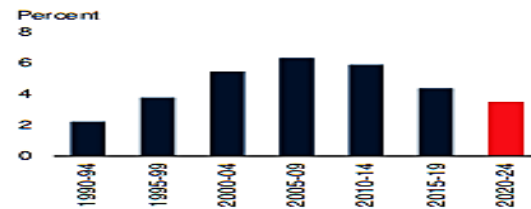
## FIGURE 1.1 Global prospects

The global economy is projected to slow substantially this year, with a pronounced deceleration in advanced economies. The first half of the 2020s is expected to be one of the weakest half-decades of the past 30 years for emerging market and developing economies (EMDEs), as a result of both cyclical dynamics and slowing potential growth. EMDEs with lower credit ratings are set to experience a particularly sharp slowdown this year. Inflation remains elevated in many countries and is envisaged to remain above pre-pandemic levels beyond 2024. Excluding China, EMDEs are expected to make next to no progress at closing the gap in per capita incomes with advanced economies over the forecast horizon.

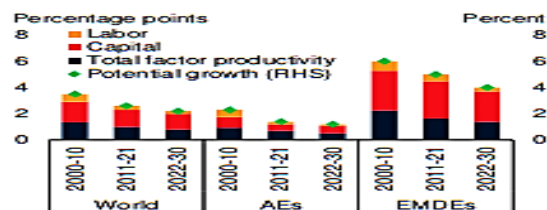
### A. Contributions to global growth



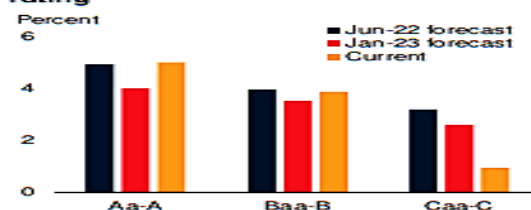
### B. Growth in EMDEs



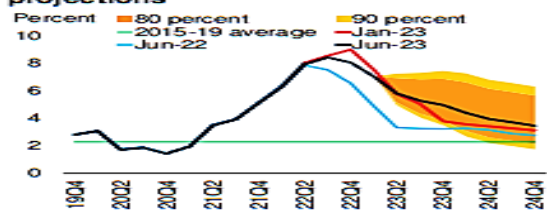
### C. Contributions to potential growth



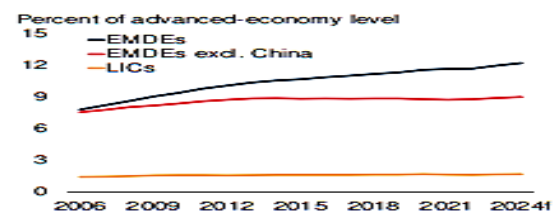
### D. EMDE growth in 2023, by credit rating



### E. Model-based global CPI inflation projections



### F. EMDE GDP per capita



Sources: Consensus Economics; Haver Analytics; Kose and Ohnsorge (2023a); Moody's Analytics; Oxford Economics; Penn World Tables; World Bank.  
 Note: AEs = advanced economies; CPI = consumer price index; EMDEs = emerging market and developing economies; LICs = low-income countries.  
 A, B, F. Aggregate growth rates and GDP per capita calculated using real U.S. dollar GDP weights at average 2010-19 prices and market exchange rates. Data for 2023-24 are forecasts.  
 B. Figure shows the non-overlapping 5-year average growth in EMDEs.  
 C. Figure shows GDP-weighted averages of production function-based potential growth estimates for 29 advanced economies and 53 EMDEs, as in Kose and Ohnsorge (2023a). Data for 2022-30 are forecasts.  
 D. Comparison of GDP-weighted growth across editions of the Global Economic Prospects report, by credit ratings. Sample includes 9 Aa-A, 62 Baa-B, and 25 Caa-C EMDEs.  
 E. Model-based GDP-weighted projections of year-on-year country-level CPI inflation using Oxford Economics' Global Economic Model, using global oil price forecasts presented in table 1.1. Uncertainty bands constructed from the distribution of forecast errors for total CPI from Consensus Economics for an unbalanced panel of 18 economies.  
 F. GDP per capita aggregates calculated as aggregated GDP divided by the aggregate population.

In all, global growth is forecast to slow from 3.1 percent in 2022 to 2.1 percent in 2023, before edging up to 2.4 percent in 2024. Relative to the January projections, this is 0.4 percentage point stronger in 2023 and 0.3 percentage point weaker in 2024. Greater-than-expected resilience of major economies at the end of 2022 and early in 2023 led to the overall upgrade to growth in 2023.

However, the drag on activity from tighter monetary policy is increasingly apparent, particularly in more interest-rate-sensitive activities such as business and residential investment, including construction. Growth over the rest of 2023 is set to slow substantially as it is weighed down by the lagged and ongoing effects of monetary tightening, and more

restrictive credit conditions. These factors are envisaged to continue to affect activity heading into next year, leaving global growth below previous projections. Notwithstanding a continued recovery in tourism, global trade growth is likewise expected to slow in view of the ongoing rotation of consumption toward services, which tend to be less trade-intensive. Fiscal policy is expected to have little net impact on global growth over the forecast horizon, with modest tightening in EMDEs generally offsetting support in advanced economies.

Growth in advanced economies is set to decelerate substantially for 2023 as a whole, to 0.7 percent, and to remain feeble in 2024, due to monetary tightening, less favorable credit conditions, softening labor markets, and still-high energy prices. In EMDEs, aggregate growth is projected to edge up to 4 percent in 2023, almost entirely due to a rebound in China following the removal of strict pandemic-related mobility restrictions. Excluding China, growth in EMDEs is set to slow substantially to 2.9 percent this year. This projection is predicated on the assumption of a protracted period of tight global monetary policy, fiscal consolidation in most EMDEs, and weak external demand. The slowdown is expected to be even more severe for EMDEs with elevated fiscal vulnerabilities and external financing needs. Persistent weak growth means that, excluding China, EMDEs are expected to continue making next to no progress at closing the differential in per capita incomes relative to advanced economies (figure 1.1.F). By 2024, economic activity in EMDEs will still be about 5 percent below levels projected on the eve of the pandemic.

Global inflation is projected to gradually edge down as growth decelerates, labor demand in many economies softens, and commodity prices remain stable. The slow pace of improvement means that core inflation is expected to remain above central bank targets in many countries throughout 2024.

Risks to the outlook remain tilted to the downside. Recent advanced-economy bank turmoil highlights the possibility of more disorderly failures, which could lead to systemic banking crises and protracted economic downturns, with spillovers to sovereigns and across borders. These failures could be triggered by mounting concerns about balance sheet quality, continued losses in the heavily leveraged commercial real estate sector, or by the ongoing decline in house prices in many countries.

*(Source: World Bank/Global Economic Prospectus/June2023)*

## **INDIAN ECONOMY**

The Indian economy, however, appears to have moved on after its encounter with the pandemic, staging a full recovery in FY22 ahead of many nations and positioning itself to ascend to the pre-pandemic growth path in FY23. Yet in the current year, India has also faced the challenge of reining in inflation that the European strife accentuated. Measures taken by the government and RBI, along with the easing of global commodity prices, have finally managed to bring retail inflation below the RBI upper tolerance target in November 2022. However, the challenge of the depreciating rupee, although better performing than most other currencies, persists with the likelihood of further increases in policy rates by the US Fed. The widening of the CAD may also continue as global commodity prices remain elevated and the growth momentum of the Indian economy remains strong. The loss of export stimulus is further possible as the slowing world growth and trade shrinks the global market size in the second half of the current year.

Despite these, agencies worldwide continue to project India as the fastest-growing major economy at 6.5-7.0 per cent in FY23. These optimistic growth forecasts stem in part from the resilience of the Indian economy seen in the rebound of private consumption seamlessly replacing the export stimuli as the leading driver of growth. The uptick in private consumption has also given a boost to production activity resulting in an increase in capacity utilisation across sectors. The rebound in consumption was engineered by the near-universal vaccination coverage overseen by the government that brought people back to the streets to spend on contact-based services, such as restaurants, hotels, shopping malls, and cinemas, among others. The world's second-largest vaccination drive involving more than 2 billion doses also served to lift consumer sentiments that may prolong the rebound in consumption. Vaccinations have facilitated the return of migrant workers to cities to work in construction sites as the rebound in consumption spilled over into the

housing market. This is evident in the housing market witnessing a significant decline in inventory overhang to 33 months in Q3 of FY23 from 42 months last year.

The Capital Expenditure (Capex) of the central government, which increased by 63.4 per cent in the first eight months of FY23, was another growth driver of the Indian economy in the current year, crowding in the private Capex since the January-March quarter of 2022. On current trend, it appears that the full year's capital expenditure budget will be met. A sustained increase in private Capex is also imminent with the strengthening of the balance sheets of the Corporates and the consequent increase in credit financing it has been able to generate. A much-improved financial health of well-capitalised public sector banks has positioned them better to increase the credit supply. Consequently, the credit growth to the Micro, Small, and Medium Enterprises (MSME) sector has been remarkably high, over 30.6 per cent, on average during Jan-Nov 2022, supported by the extended Emergency Credit Linked Guarantee Scheme (ECLGS) of the Union government. The increase in the overall bank credit has also been influenced by the shift in borrower's funding choices from volatile bond markets, where yields have increased, and external commercial borrowings, where interest and hedging costs have increased, towards banks. If inflation declines in FY24 and if real cost of credit does not rise, then credit growth is likely to be brisk in FY24.

India's economic growth in FY23 has been principally led by private consumption and capital formation. It has helped generate employment as seen in the declining urban unemployment rate and in the faster net registration in Employee Provident Fund. Still, private capex soon needs to take up the leadership role to put job creation on a fast track. Recovery of MSMEs is proceeding apace, as is evident in the amounts of Goods and Services Tax (GST) they pay, while the Emergency Credit Linked Guarantee Scheme (ECLGS) is easing their debt servicing concerns. The Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) has been directly providing jobs in rural areas and indirectly creating opportunities for rural households to diversify their sources of income generation. Schemes like PM-Kisan and PM Garib Kalyan Yojana have helped in ensuring food security in the country, and their impact was also endorsed by the United Nations Development Programme (UNDP)<sup>1</sup> The results of the National Family Health Survey (NFHS) also show improvement in rural welfare indicators from FY16 to FY20, covering aspects like gender, fertility rate, household amenities, and women empowerment.

Global growth has been projected to decline in 2023 and is expected to remain generally subdued in the following years as well. The slowing demand will likely push down global commodity prices and improve India's CAD in FY24. However, a downside risk to the Current Account Balance stems from a swift recovery driven mainly by domestic demand and, to a lesser extent, by exports. The CAD needs to be closely monitored as the growth momentum of the current year spills over into the next. Growth is expected to be brisk in FY24 as a vigorous credit disbursement, and capital investment cycle is expected to unfold in India with the strengthening of the balance sheets of the corporate and banking sectors. Further support to economic growth will come from the expansion of public digital platforms and path-breaking measures such as PM GatiShakti, the National Logistics Policy, and the Production-Linked Incentive schemes to boost manufacturing output.

(Source: <https://www.indiabudget.gov.in/economicsurvey/doc/echapter.pdf>)

## **Electronics System Design and Manufacturing Industry in India**

### **Introduction**

The Indian electronics system design and manufacturing (ESDM) sector is one of the fastest growing sectors in the economy and is witnessing a strong expansion in the country. The ESDM market in India is well known internationally for its potential for consumption and has experienced constant growth.

The ESDM market in India is well known internationally for its potential for consumption and has experienced constant growth. Indian manufacturers are attracting the attention of multinational corporations due to shifting global landscapes in electronics design and manufacturing capabilities, as well as cost structures. Companies from all over the world are striving to develop local capacities in India not only to serve the domestic market but also to cater to international markets.

The Electronics System Design & Manufacturing (ESDM) industry includes electronic hardware products and components relating to information technology (IT), office automation, telecom, consumer electronics, aviation, aerospace, defence, solar photovoltaic, nano electronics and medical electronics. The industry also includes design-related activities such as product designing, chip designing, Very Large-Scale Integration (VLSI), board designing and embedded systems.

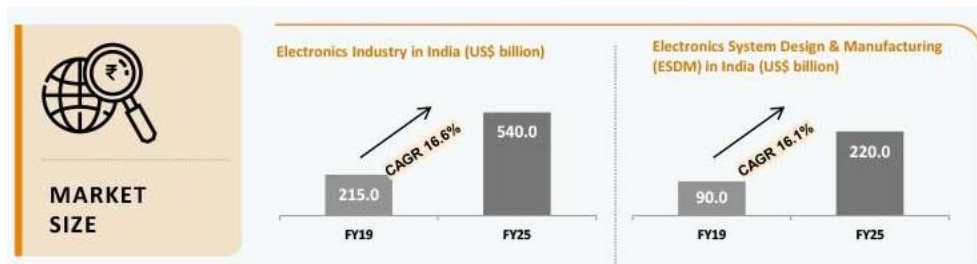
India witnessed a substantial spike in demand for electronic products in the last few years; this is mainly attributed to India’s position as second-largest mobile phone manufacturer worldwide and surge in internet penetration rate. The Government of India attributes high priority to electronics hardware manufacturing, as it is one of the crucial pillars of Make in India, Digital India and Start-up India programmes.

The Electronics System Design & Manufacturing (ESDM) sector plays a vital role in the government’s goal of generating US\$ 1 trillion of economic value from the digital economy by 2025. With various government initiatives aiming to boost domestic manufacturing, India has already started witnessing initial movement with increased production and assembly activities across products such as mobile phones and other consumer electronics.

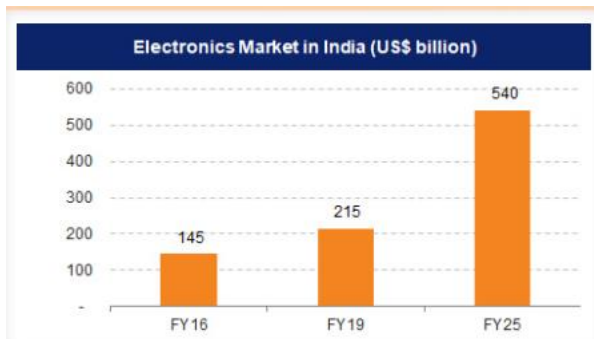


### Market Size

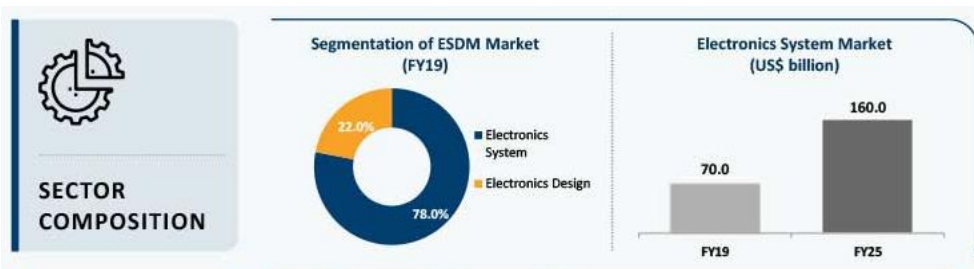
The Indian electronics manufacturing industry is projected to reach US\$ 520 billion by 2025. The demand for electronic products is expected to rise to US\$ 400 billion by 2025 from US\$ 33 billion in FY20. Electronics market has witnessed a growth in demand with market size increasing from US\$ 145 billion in FY16 to US\$ 215 billion in FY19—the market witnessed a growth of 14% CAGR from 2016-19. Electronics system market is expected to witness 2.3x demand of its current size (FY19) to reach US\$ 160 billion by FY25. The top products under the ESDM sector with the highest CAGR include IT/OA at 54%, followed by industrial electronics at 38% and automotive electronics at 10%.



In India, smartphone shipments from India crossed 168 million units in CY 2021, and in 2022, smartphone shipments from India are expected to reach ~190 million. 5G device shipments are expected to increase by 129% YoY, from 28 million in CY 2021 to about 64 million in CY 2022. Electronics design segment, growing at 20.1%, was 22% of the ESDM market size in FY19; it is anticipated to be 27% of the ESDM market size in FY25.



India is one of the largest consumer electronics markets in Asia Pacific Region and is home to considerable talent for electronic chip design and embedded software. India has committed to reach US\$ 300 billion worth of electronics manufacturing and exports of US\$ 120 billion by 2025-26.



Major Government initiatives such as ‘Digital India’, ‘Make in India’ and supportive policies including favourable FDI Policy for electronics manufacturing have simplified the process of setting up manufacturing units in India.

India is the second fastest digitizing economy amongst the 17 leading economies of the world. The Government of India aims to make Electronics Goods amongst India’s 2-3 top ranking exports by 2026. Electronics Goods exports are expected to increase from the projected US\$ 15 billion in 2021-22 to US\$ 120 billion by 2026.

### Investments / Developments

Major Government initiatives such as ‘Digital India’, ‘Make in India’ and supportive policies including favourable FDI Policy for electronics manufacturing have simplified the process of setting up manufacturing units in India. Post COVID, the Government of India aims to increase India’s contribution by around US\$ 400 billion worth of electronics goods including exports worth US\$ 120 billion, which would account for 9-10% of the overall global value chains, from the current supply potential of 1-2%.

Union Budget 2023-24 has allocated Rs. 16,549 crore (US\$ 2 billion) for the Ministry of Electronics and Information Technology, which is nearly 40% higher on year. The budget for FY23 had allocated Rs. 14,300 crore (US\$ 1.73 billion) for the IT ministry.

The first-of-its-kind in India Electropreneur Park (EP) set up by MEITY and IESA started in 2016 and created 51 hardware products, 51 patents, and 23 startups were funded. The EP will grow to be a hub with 20 spoke centres aimed to promote innovation and create unicorns in ESDM by offering access to a holistic ecosystem to accelerate the government’s flagship schemes like Startup India and Make in India.



STPI Signs MoUs to strengthen tech startup ecosystem: AIC STPINEXT Initiatives (STPINEXT), a special purpose vehicle of Software Technology Parks of India (STPI), an organisation under the Ministry of Electronics and Information Technology (MeitY) has signed two memorandums of understanding (MoUs), one with HDFC Bank, and another with Excelpoint Systems India Pvt. Ltd., a niche technology player for fostering entrepreneurship and nurturing tech startups in the country. These partners would play critical role in supporting and handholding the startups in the growth journey through technical guidance & assistance, mentoring, pitching to investors, funding support, and market connect & access etc.

Some of the investments/ developments in the Electronics System Design & Manufacturing (ESDM) sector in the recent past are as follows:

- The cumulative FDI equity inflow in the Electronics industry is US\$ 3.75 billion during the period April 2000-December 2022.
- In FY23, the exports of electronic goods were recorded at US\$ 23.57 billion as compared to US\$ 15.66 billion during FY22, registering a growth of 50.52%.
- Exports of electronic goods stood at US\$ 2.0 billion in September 2022.
- During April 2022-February 2023, the imports of electronics goods stood at US\$ 70.07 billion, whereas exports stood at US\$ 20.69 billion.
- Imports of electronics goods stood at US\$ 7.14 billion in September 2022.
- A nine-member task force has been constituted by the Ministry of Electronics and Information Technology (MeitY) in March, 2023 with the primary goal of making India a 'product developer and manufacturing nation', as per a report. The members of task force are some of the veterans from the Indian electronic industry, including HCL Founder Mr. Ajay Chowdhary, Lava International Chairman Mr. Hari Om Rai, and Boat Lifestyle Co-Founder Mr. Aman Gupta, among others.
- In March 2023, the Government approved setting up of the Electronics Manufacturing Cluster (EMC) at Hubli-Dharwad in Karnataka, worth US\$ 22 million (Rs. 180 crore) and is expected to create about 18,000 jobs.
- As global companies are leveraging the well-developed manufacturing system in the State, Tamil Nadu has emerged as one of the major electronics hardware manufacturing and exporting States in the country. The state is well positioned to achieve a US\$ 100 billion ESDM industry in the next five years.
- The India Cellular and Electronics Association in February 2023 signed a memorandum of understanding with the Uttar Pradesh government to facilitate investments as the electronics manufacturing and skill hub to cater to domestic demand and exports. The government has set a target to achieve US\$ 300 billion of electronics manufacturing by 2025-26, out of which US\$ 75-100 billion of electronics manufacturing is expected from UP.
- Mitsubishi Electric India would invest Rs. 1,891 crore (US\$ 230.9 million) to build an air conditioner and compressor factory in Tamil Nadu. This facility will generate over 2,000 jobs, 60% of which would be held by women.
- Vedanta Group signed memorandums of understanding (MoUs) with 20 Korean companies from the display glass industry for the development of an electronics manufacturing hub in India. The MoUs were signed at the 'Korea Biz-Trade Show 2023' event organised by KOTRA, in collaboration with Korea's Ministry of Trade, Industry, and Energy.
- Intel has invested over US\$ 7 billion in design and R&D facilities in the country to date.

## GOVERNMENT INITIATIVES





The Government of India has adopted few initiatives for the ESDM sector in the recent past, some of these are as follows:

- Union Budget 2023-24 has allocated Rs. 16,549 crore (US\$ 2 billion) for the Ministry of Electronics and Information Technology, which is nearly 40% higher on year. The budget for FY23 had allocated Rs. 14,300 crore (US\$ 1.73 billion) for the IT ministry.
- The Government attaches high priority to electronics hardware manufacturing, and it is one of the important pillars of both “Make in India” and “Digital India” programme of Government of India.
- The National Policy on Electronics (NPE) 2019 envisions to position India as a global hub for ESDM by encouraging and driving capabilities in the Country for developing core components, including chipsets and by creating an enabling environment for the industry to compete globally.
- By 2030, ADIF, a think tank for IT start-ups, aims to put India among the top three start-up ecosystems in the world, with emphasis on expanding the knowledge base, encouraging collaboration and outlining the best policies.
- As per Union Budget 2022-23, the Ministry of Electronics and Information Technology (MeitY) has been allocated Rs. 14,300 crore (US\$ 1.85 billion). In the allocated budget, revenue expenditure allocation is Rs. 13,911.99 crore (US\$ 1.8 billion) and capital expenditure allocation is Rs. 388.01 crore (US\$ 50.4 million).
- Ministry of Electronics & Information Technology (MeitY) has announced “Scheme for Promotion of Semiconductor Eco-System” in India with a massive outlay of Rs. 76,000 crore (US\$ 9.48 billion) in 2022.
- Under the production-linked incentive (PLI) scheme for IT Hardware Products, the Ministry of Electronics and Information Technology has approved 14 qualified applicants. To manufacture these products in India, the government will offer incentives of US\$ 983.76 million over the next four years. In this duration, production worth US\$ 21.62 billion and exports of US\$ 8.06 billion are expected.
- In September 2022, MeitY Startup Hub (MSH), an initiative of the Ministry of Electronics & Information Technology (MeitY), and Meta announced the launch of an accelerator programme to support and accelerate XR technology startups across India.
- Ministry of Electronics & Information Technology (MeitY) has announced “Scheme for Promotion of Semiconductor Eco-System” in India with a massive outlay of Rs. 76,000 crore (US\$ 9.48 billion) in 2022.

## ROAD AHEAD

Local electronics design and production are being positively influenced by ongoing domestic consumption, changing dynamics in the global supply chain, and a plethora of policy initiatives to assist indigenous manufacturing in the current period is most advantageous. The smooth implementation of new initiatives and the reversal of restrictive laws will go a long way toward boosting international business confidence in India's business environment and attracting manufacturing investments.

In India, Sony, Samsung, LG Electronics, Panasonic, and other companies are the market leaders in ESDM sector. Government efforts are concentrated on bridging the digital gap. Projects like "Digital India," "Smart Cities," "ePanchayats," "National Optical Fiber Network," etc. enhanced consumer demand for electronic goods around the nation. India's middle class is rapidly expanding, which has improved the affordability of electronics products. The demand for electronic goods has increased as consumers' preferences for products and devices with smart technology (like smart LED TVs) and inventive designs have changed and disposable incomes have increased. The personal disposable income in India increased at a CAGR of 15.6% between FY07 and FY11, which is directly correlated with consumers' desire to spend money on electronics.

Fueled by strong policy support, huge investments by public and private stakeholders and a spike in demand for electronic products, the ESDM sector in India has bright prospects ahead of it and is predicted to reach US\$ 220 billion by 2025, expanding at 16.1% CAGR between 2019-2025.

- **References:** Media reports, Ministry of Electronics and Information Technology (MeitY), Make in India, Invest India, Union Budget 2022-23, Union Budget 2023-24, Press Information Bureau, News Articles

(Source : <https://www.ibef.org/industry/electronics-system-design-manufacturing-esdm>)

## OUR BUSINESS

*Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section titled “Forward-Looking Statements” on page 15 for a discussion of the risks and uncertainties related to those statements and also the sections titled “Risk Factors” on page 21 “Restated Financial Information” on page 134 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page [•] for a discussion on certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our financial year ends on March 31 of each year, so all references to a particular financial year/ Fiscal are to the twelve-month period ended March 31 of that year.*

### **OVERVIEW**

Our Company was originally incorporated as “Electro Force (India) private limited” on June 14, 2010 vide certification of incorporation bearing Corporate Identity No. U51909MH2010PTC204214 under the provision of Companies Act, 1956 issued by the Assistant Registrar of Companies, of Mumbai. The status of the Company was changed to public limited and the name of our Company was changed to Electro Force (India) Limited vide Special Resolution dated April 15, 2023 pursuant to conversion of the Company into public limited Company. The fresh certificate of incorporation consequent to conversion was issued on May 11, 2023 by the Registrar of Companies, Mumbai. Subsequently, the Company was converted into Public Limited Company vide a fresh certificate of incorporation issued by Registrar of Companies, Mumbai consequent upon conversion from Private Limited to Public Company dated May 11, 2023 to its present name of Electro Force (India) limited with the Corporate Identification Number U51909MH2010PLC204214.

We are an ISO 9001:2015-certified company that designs and manufactures electrical components, metal / plastic contact parts, and supplies these products to the industry players via a business-to-business (B2B) model. Our company started in the year 2010 as Electro Force (India) Pvt Ltd. Since inception, our Company has been a supplier of high grade precision metal electrical contact parts and components, connectors and assemblies for applications in electronics, lighting, switchgear and allied industries in India.

Our manufacturing unit is located at Vasai in Maharashtra. We offer end-to-end product solutions to our customers under the B2B model wherein we provide services ranging from designing, manufacturing, quality testing and packaging to logistics. We also offer products in the intermediate stages to many of our customers. Our main focus has been on offering integrated services, mostly to Indian manufacturers of electrical components. We have the ability to perform precision metal stamping, assembly, and moulding. We believe that a team of committed qualified and trained experts have led to the success of our Company and while our products conform to high quality standards, what has distinguished us more than our competitors has been our ability to respond quickly, reliably and accurately to customer’s needs.

We believe that we specialize in designing and manufacturing of precision sheet metal components, high speed metal stamping components, plastic injection mouldings, insert and over moulding, sub-assemblies and value added services for diverse industries like electronics, lighting and other engineering industries in India. We believe that we have well-known and reputed customers based in India. As a result, we are capable of producing the majority of above items from the initial stages of concept and design all the way through to final delivery to the customer.

Over the past 13 years, we believe that we have accumulated invaluable experience in helping our customers create new designs, incorporating cutting-edge technologies, and effectively utilizing our manufacturing facilities, equipment, and materials. As a result, we are constantly improving our product offerings to better serve our customer’s needs.

### **STRENGTHS**

#### ***1. Experienced Management Team***

Saideep Bagale is Whole-time Director and has a diploma in Mechanical Engineering from SES Polytechnic, Solapur, Maharashtra. He has been with our Company since its inception and has worked at various levels of the company before becoming the Whole time Director of our company. He is currently responsible for overall

management and affairs of our Company including devising business strategies, developing industry networks for further business development and overall development of the business of our Company. We believe that he with his operational and technical capabilities, management skills and business development experience will take the company to new heights. We believe that the combined strength of our Key managerial personnel and qualified employees will provide in securing new businesses, executing projects and expanding our product portfolio. We will continue to leverage on the experience of our management team and their understanding of our Business, particularly in the areas where we operate and propose to operate, to take advantage of current and future market opportunities.

## ***2. High standard of product quality and customer service***

We undertake manufacturing and supply of intermediate-stage products for our customers. We believe that we have been able to retain our customers over years due to our high-quality services and products and manufacturing capabilities which guarantee customer satisfaction, encourages customer loyalty and repeat business. Our multi-technological capabilities and integrated offerings combined with our product quality & customer service have helped us emerge as a preferred vendor to large corporates and over a period of time they have increased their product range with us rather than outsourcing different intermediary products through different vendors. Through our long standing business relationship with our customers, we have acquired invaluable knowledge of customers' business process & quality expectations. We believe that due to our successful delivery of products meeting customers' expectations as to quality and service has earned us a position of strategic supplier for our customers. Solid customer relationships with leading industry brands will help us in accelerating our business in future.

## ***3. In-house R&D, tool room and continuous new product development.***

In house R&D enables us to quickly develop products and adapt to the needs of our customers. For various procedures used in product manufacturing, we have an internal R&D setup. Our R&D team is made up of qualified, experienced, and committed individuals, and the setup is well-equipped with cutting-edge technology and tools for designing and creating a variety of innovative products in accordance with the needs of our customers.

The R&D team regularly conducts research and analysis for product development and enrichment because innovation is a key factor influencing our business and keeping our customers happy.

## ***4. Offering a variety of products to meet the needs of different customers.***

Our multi-technological capabilities and integrated offerings combined with our product quality & customer service have helped us emerge as a preferred vendor with our customers. We believe that due to being versatile in new product developments, we have been able to grow our business with the same customer base by offering new products from time to time.

## **BUSINESS STRATEGIES**

We want to strengthen our position as the preferred contract manufacturer for top-tier brands by capitalization on our current advantages, such as integrated company processes and prompt delivery of high-quality products. Our aim is to increase our market share in the present markets and penetrate new markets.

Here are some key components of our business strategy implemented to improve the operations and competitiveness:

### ***1. Operational Effectiveness***

In order to reduce costs and gain a competitive advantage over our competition, our company is ever thriving to increase operational effectiveness. We think that technology advancement and ongoing process improvement can make this happen. We keep making investments towards making our operations more efficient to achieve excellence across the board.

### ***2. Quality Control***

We ensure that the products meet high standards of quality which is essential in the electrical components manufacturing industry. Implementing a comprehensive quality control system which includes testing and inspection at every stage of production can help minimize defects and improve customer satisfaction. We make sure that each and all working for the company are truly committed to better the quality of our products.

### **3. *Invest in infrastructure and technology***

To meet the various requirements of our customers, our company believes in making investments to continually improve the quality of our products. With major investment, we have upgraded our manufacturing facilities with cutting-edge infrastructure and modern technologies. We intend to continue to strive towards the upgrade and modernisation of our infrastructure and technology in future as well for sustaining our growth in the subsequent times as well.

### **4. *Innovation and research***

To meet the various requirements of our customers, our company believes in making investments to continually expand our product portfolio and also upgrade our current products to match the technology advancements where required. We have investments to upgrade our manufacturing facilities with updated infrastructure and modern technologies. We intend to continue to strive towards the upgrade and modernization of our infrastructure and technology in future as well for sustaining our growth in the subsequent times.

### **5. *Diversification into new Industries***

Currently, we supply our products, mainly to industries such as electronics, lighting & other engineering industries in India. We intend to enhance our product offerings from our current product portfolio to be able to cater to more industries, thereby helping us in diversifying our customer base.

### **6. *Entry into new geographies***

Our manufacturing facilities are currently situated in Vasai, Maharashtra and we cater to Indian markets. In future we intend to enhance our reach to international markets by setting up a few offices at strategic locations keeping in mind the electronics and allied products manufacturing bases in such countries to be able to have a ready market wherein we can offer our products.

#### **More specifically, our product offering and capabilities include:**

- Product designing
- Prototyping
- Process development for precision sheet metal components, plastic products, assemblies for the electrical & switchgear Industry.

#### **Core manufacturing capabilities include:**

- High speed sheet metal stamping
- Injection and insert molding
- Progressive cold forging
- High frequency welding
- Automated and manual assembly and testing

#### **DETAILS OF OUR BUSINESS LOCATION**

We currently operate from the following office and manufacturing units in Maharashtra:

**Registered and Corporate Office and Manufacturing Units:** 39/5, Village - Waliv, Taluka - Vasai East, District - Palghar, Maharashtra – 401 208, India.

## **OUR PROCESS**

### **What do we do**

- Precision Metal Stamping.
- Precision Metal Stamping - Multi-Slide Strip and Wire Formers
- A Progressive Die Tooling - Class – A Progressive Die Tooling
- Tool Design & Manufacturing
- Prototyping
- Injection Molding.
- Insert Molding.
- Assemblies & Secondary Operations

### **1) Precision Metal Stamping**

Our process involves high-volume tight-tolerance metal stamping. Through proven manufacturing processes and industry-leading technology, we are able to create innovative solutions for most complex component needs. Our metal stamping begins with high quality progressive dies. our stamping operations utilize leading precision metal stamping presses manufactured by renowned brands of the industry such as Bruderer, Godrej, Sutantra, Ruby, etc. with sizes ranging from 10 tons - 150 tons. Materials used in the precision metal stamping process include Brass, Phosphorous Bronze, Stainless Steel, Copper, Beryllium Copper, Cold Rolled Steel, Aluchrom, Nikrothal with thickness ranging from 0.18 mm to 3.0 mm.

As a result, we have the capability to provide Precision Metal Stamping services and products for a wide variety of industries like lighting/electrical and electronics/industrial engineering and consumer durables. These are complemented with a comprehensive range of secondary processes including tapping, welding, stacking and mechanical assembly.

### **2) Precision Metal Stamping - Multi-Slide Strip and Wire Formers**

We believe that our products are manufactured with the right balance of high accuracy and economy in production. Our Multi-slide Sheet formers reduce the wastages in sheet metal component manufacture and allow us to manufacture complex parts with difficult geometries very economically in large quantities. Installed Capacities in sheet metal forming range from 10 Tons to 26 Tons.

### **3) A Progressive Die Tooling - Class – A Progressive Die Tooling**

We design and build tooling for our precision metal stampings. Every tool is built to exact specifications required and can be produced as small as 75 x 75mm to as large as 1000 x 450mm.

#### **Tool Construction**

- Insert construction with replaceable tooling components
- Guided punches and hardened punch holders
- Hardened back-up pads
- In-die sensors
- Quick interchangeable sub-die sets for minimum downtime.*(depending on volume and application)*

### **4) Tool Design & Manufacturing**

Our in-house tool making is equipped with machining facilities including the latest in CNC electric discharge machining & milling, with Machines from Charmilles of Switzerland, Sodick of Japan, Makino of Japan, Chevalier of the USA among others to produce carbide and steel progressive tooling designed to meet required specifications.

## 5) Prototyping

In-house design and manufacture of prototype tooling for stamped metal components as well as short run volumes.

## 6) Injection Molding

Our Company offers Plastic Injection and is equipped with a wide range of molding machines with clamping forces ranging from 25-ton to 110-ton and utilizes molding machines including Arburg & Nessai. Our molding capabilities include:

- Design and fabrication of molding tools (up to 320-ton)
- Injection molding machines ranging from 25 to 110-ton.
- Capabilities in Precision Engineering Parts, including High Speed, Thin wall molding and IML Molding.

## 7) Insert Molding

Insert molding is a process whereby a part - often a metal stamped part - is subjected to the injection of thermoplastic around it to create a new, discrete component.

## 8) Assembly & Secondary Operations

Our assembly services and secondary operations take the metal stamped part closer to a finished state. With all operations performed in-house, our value-added services are efficient, reliable, and stringently quality controlled.

### **Secondary Operations Include:**

- Spot welding
- Specialty De-burring
- Passivation
- Cold forming
- Secondary stamping
- Riveting
- Tapping
- Finishing & tumbling
- Automated assembly
- Pad printing
- Stacking
- Grinding

## **MANUFACTURING PROCESS**

As suppliers of components to industry players using the business-to-business (B2B) model, we are in the business of designing, manufacturing, and delivering electrical components to our customers. We aim to increase process efficiency by continuously analysing them. Our main priorities are a high-quality product and prompt delivery. All personnel are informed of the quality objectives, and quality checks are carried out to ensure that they are being met.

For a new product, the process starts with customer requirements, which are then used to inform quality planning. Once the quality planning is complete, the production/material planning and scheduling process can begin. For an existing product, the process starts with a customer order review, which is used to determine the necessary production and material planning and scheduling.

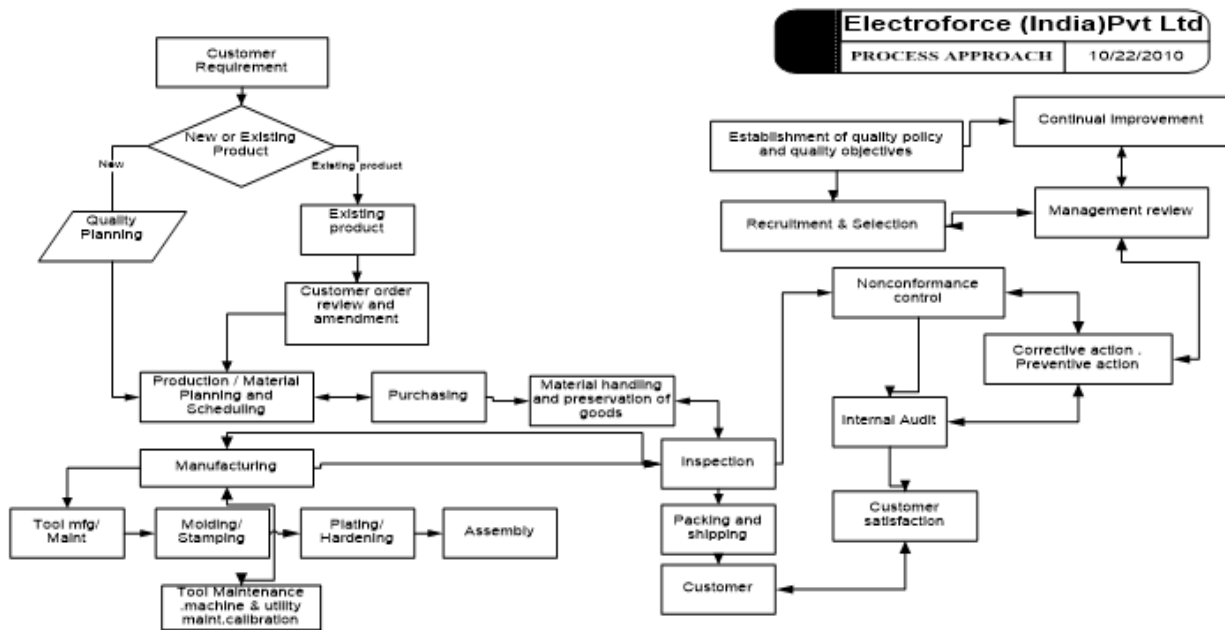
After the planning and scheduling stages, the next step is purchasing, where necessary materials and supplies are procured. These materials are then handled and preserved appropriately, followed by inspection to ensure that the materials meet the necessary quality standards. Once the materials have been inspected, the manufacturing process

begins, which may involve tool management for production, molding or stamping, plating, or hardening as necessary.

The product is then assembled, followed by another round of inspection to ensure that the final product meets quality standards. The product is then packed and shipped to the customer. After the product has been shipped to the customer, the final step in the process is customer satisfaction. This step is critical because it involves assessing whether the customer is satisfied with the product and, if not, identifying any issues and resolving them.

If any non-conformances are identified during the inspection, the next step is non-conformance control. It involves documenting and tracking any issues or defects that are found and initiating a process to resolve them. The process then moves on to the internal audit step, which entails examining the company's procedures to make sure they are being followed correctly and that any issues are being dealt with in a proper manner by taking corrective or preventive actions.














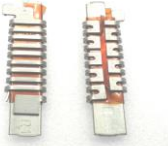




Overall, by following these processes, it is possible to ensure that any problems or faults are quickly identified and fixed, upholding product quality and customer satisfaction.

















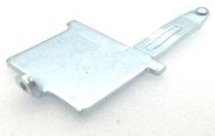

## OUR PRODUCTS

We produce a wide range of products under the category of electrical components, each with its own uses and utility. These are actual images of some of the key products our company produces for its varied customers: -

### 1. Stamping Components

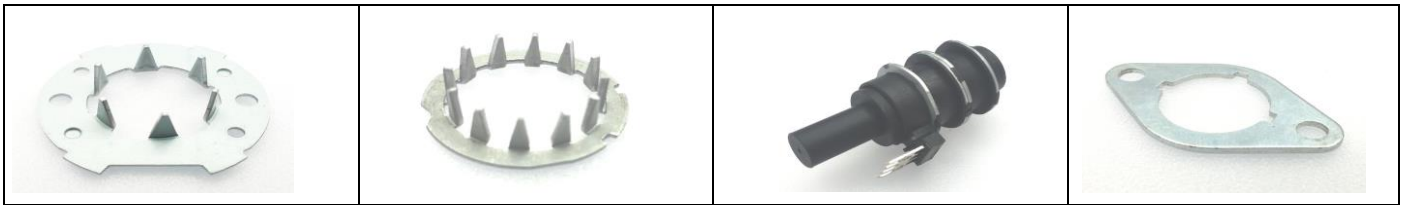
Components for Electrical MCB's (Miniature Circuit Breakers)					
					
					
					

Components for Electrical 63A Manual Changeover Switch					
					

Components for Electrical MCCB & RCB's				
				
				

Components for Brushless DC Motors
Application – Medical Devices /Aerospace/ Defence & Automation

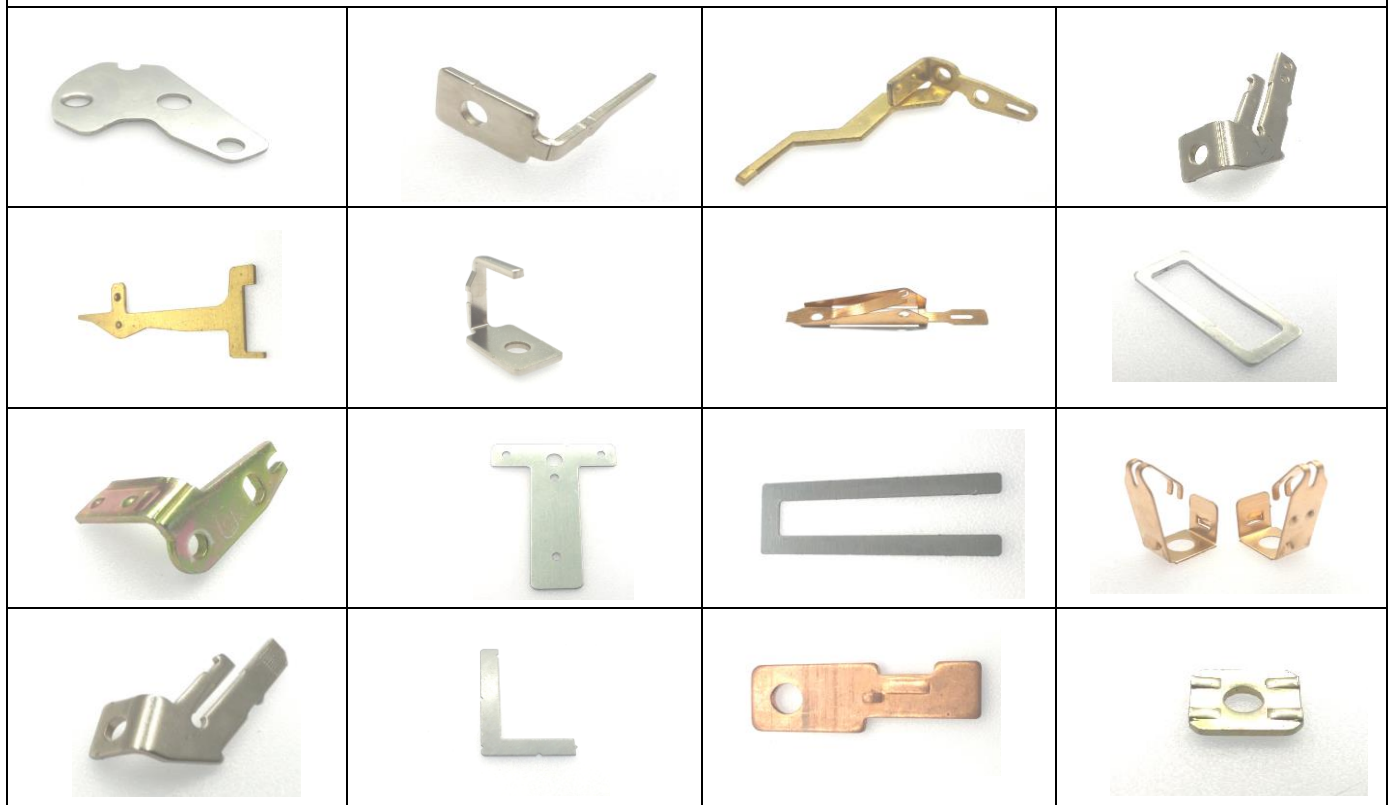




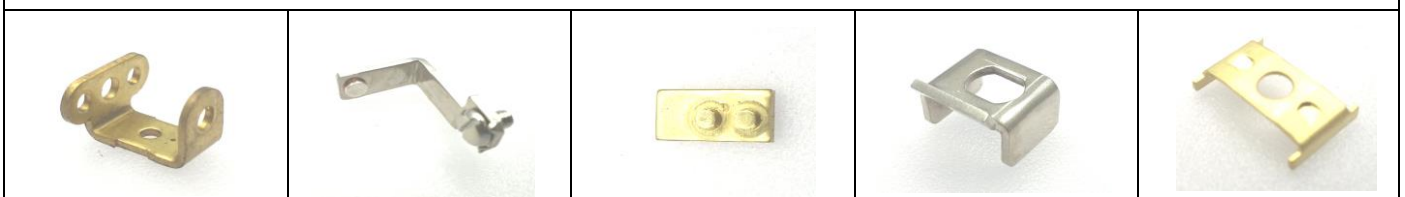
**Components for Electrical Motor Starters**



**Components for Electrical Control Gears**








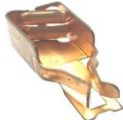








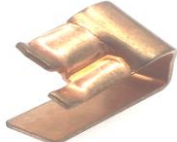





**Components for Electrical Motor Starters**











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**Components for Electrical Switches & Lighting Industry**

**Plastic Components**



### Financial Performance of our Company

The financial performance of our Company for the Fiscals 2023, 2022 and 2021, is as follows:

(Rs. In Lacs)

Particulars	For the year ended March 31		
	2023	2022	2021
Revenue from Operations	3025.04	3,439.65	1,574.28
Total Revenue	3028.81	3443.55	1587.13
EBITDA <sup>(1)</sup>	1134.82	1140.65	(154.63)
EBITDA Margin (%) <sup>(2)</sup>	37.51%	33.16%	(9.82%)
Net Worth <sup>(3)</sup>	1835.33	1035.73	171.47
Debt to Equity Ratio <sup>(4)</sup>	-	0.85	3.42
Current Ratio <sup>(5)</sup>	1.27	1.53	1.01

<sup>1)</sup>EBITDA = Profit before tax + depreciation & amortization expense + finance cost.

<sup>2)</sup>EBITDA Margin = EBITDA/ Total income.

<sup>3)</sup>Net Debt = Non-current borrowing + current borrowing - Cash and cash equivalent, Bank balance, and Investment in Mutual Funds.

<sup>4)</sup>Debt to Equity Ratio=Total Debt/ Networth

<sup>5)</sup>Current Ratio= Total Current Liabilities/ Total Current Assets.

The following table sets forth our Customer wise sales:

Particulars	Fiscal 2023	
	Amount	%
Schneider Electric India Private Limited	11,21,59,226	37.08
Artemis Electricals and Projects Limited	7,52,72,503	24.88

Particulars	Fiscal 2023	
	Amount	%
Precision Multi Alloys Private Limited	3,89,93,100	12.89
Evergreen Electricals Private Limited	1,63,13,596	5.39
Garuda Construction & Engineering Private Limited	99,40,530	3.29

Particulars	Fiscal 2022	
	Amount	%
Artemis Electricals and Projects Limited	14,16,05,692	41.17
Schneider Electric India Private Limited	11,08,49,258	32.23
B. Rameshkumar Metals Private Limited	1,97,38,083	5.74
Evergreen Electricals Private Limited	1,91,12,352	5.56
Precision Multi Alloys Private Limited	1,13,46,677	3.30

Particulars	Fiscal 2021	
	Amount	%
Schneider Electric India Private Limited	6,77,03,457	43.01
Larsen & Toubro Limited	1,92,62,769	12.24
Precision Multi Alloys Private Limited	1,33,41,925	8.47
Evergreen Electricals Private Limited	1,32,36,799	8.41
Garuda Construction & Engineering Private Limited	83,54,050	5.31

#### **RESEARCH & DEVELOPMENT (R&D)**

For various procedures used in product manufacturing, we have an internal R&D setup. Our R&D team is made up of qualified, experienced, and committed individuals, and the setup is well-equipped and we have tools for designing and creating a variety of innovative products in accordance with the needs of our customers.

The R&D team regularly conducts research and analysis for product development and enrichment because innovation is a key factor influencing our business and customer happiness.

#### **MANUFACTURING INFRASTRUCTURE**

List of Machineries – Stamping Multislide		
Sr. No.	Make	Model
1	YSM	10 T
2	YSM	10 T
3	YSM	10 T
4	YSM	26 T
5	YSM	26 T
6	YSM	26 T
7	YSM	26 TX

List of Machineries – Stamping		
Sr. No.	Make	Model
1	Bruderer	BSTA 30
2	Bruderer	BSTA 18
3	Bruderer	BSTA 50A – 3
4	Bruderer	BSTA 25 – 4
5	Sutandra	-
6	Ruby	RMT 16 T
7	Bruderer	BSTA 25-4
8	Bruderer	BSTA 25-4
9	Bruderer	BSTA 50A – 3
10	Bruderer	BSTA 25 – 4
11	Bruderer	BSTA-18
12	Ruby	RMT 16 T
13	Ruby	RMT 25 T

<b>List of Machineries – Stamping</b>		
14	Ruby	RMT 10 T
15	Ruby	RMT 10 T
16	Sutandra	-
17	Ruby	-
18	Bruderer	BSTA-18

<b>List of Machineries – Moulding Machines</b>		
<b>Sr. No.</b>	<b>Make</b>	<b>Model</b>
1	Nissei	FN - 2000
2	Nissei	FN - 2000
3	Nissei	FN - 1000
4	Arburg	221 - 55 - 250
5	Arburg	221 - 55 - 250
6	Arburg	220 - 75 - 250
7	Arburg	320 - 210 - 750
8	Arburg	221 - 55 - 250
9	Arburg	221 - 55 - 250
10	Arburg	221 - 55 - 250
11	Arburg	270 - 90 - 350

<b>List of Machineries – Tool Room</b>		
<b>Sr. No.</b>	<b>Make</b>	<b>Model</b>
1	Sodick	AG 600L
2	Sodick	AG 400L
3	Charmilles	Robofil 290P
4	Makino	Edge2
5	Makino	Edge2
6	Chmer	50 NZ
7	Chmer	50 NZ
8	Chmer	A22 - 6mm /30A
9	Makino	F3
10	ESTEAM	SP - 150 TM
11	Chavalier	FM- 4VKH
12	Chavalier	FM- 4VKH
13	Energy	TEFC
14	Chavalier	2060 ADII
15	Equitop	ESG - 3A1224
16	Chavalier	FSG 618 M
17	Chavalier	FSG 618 M
18	Chavalier	FSG 618 M
19	Chavalier	FSG 618 M
20	GMT	-
21	GMT	-
22	Dahanukar	-
23	Dahanukar	-
24	Dahanukar	-
25	Dahanukar	-
26	Dahanukar	-
27	Dahanukar	-
28	Swastik	-
29	WMW	SW PO80
30	Esteam	ETM – 40
31	Samrat	-
32	Amul	-

### **CAPACITY AND CAPACITY UTILIZATION**

We offer a variety of products consisting of both finished goods and products obtained at intermediate production process level. We have different types of manufacturing plants for different processes and thus, the installed capacity for manufacturing of the products cannot be directly computed. Installed capacity in our Industry is a

function of available machines, manpower deployed and time taken for manufacturing different kind of products. We are currently operating at near optimal capacity utilization levels and will further enhance our production capacity for electroplating.

#### **Details of capacity of manufacturing unit**

Particulars	Fiscals		
	2023	2022	2021
Installed capacity (in No's)	15,00,00,000	15,00,00,000	15,00,00,000
Capacity Utilised (in No's)	8,10,79,674	7,25,20,041	6,26,92,271
Utilised capacity (%)	<b>54%</b>	<b>48%</b>	<b>42%</b>

*As per certificate dated September 11, 2023 issued by Mr. R. J. Kamothi, Independent Chartered Engineer.*

#### **RAW MATERIALS**

Sr. No.	Metals	Plastic	Tooling
1	Brass	PP	WPS
2	Copper	ABS	OHNS
3	Phosphorus Bronze	Poly Carbonate	C-45
4	Beryllium Copper	Delrin	Mild Steel
5	Aluchrom	Nylon 6	Highspeed Steel
6	Nikrothal	Nilon 66	Tungsten Carbide
7	SS301	PBT	Graphite
8	SS304	TPE	Copper
9	EN8	SAN	Beryllium Copper
10	EN9	Acrylic	
11	Mild Steel	-	-
12	Low Carbon Steel	-	-
13	Polyamide	-	-
14	Bimetal	-	-

#### **Environment, Health and Safety**

Our manufacturing units are ISO9001:2015 bearing Certificate No:IN2020Q10029 for Providing Design and Manufacturing Solutions for Precision Metal Forming and Plastic Products issued by BQSR Quality Assurance Private Limited. The personal health and safety of each employee of our organization is of primary importance. We believe that our employees are important assets and their safety at our worksite is our responsibility. Our Company provides the necessary equipment and facilities required for the personal safety and health of each employee, workers and contractors at our manufacturing units. We implement work safety measures to ensure a safe working environment including general guidelines for health and safety at our manufacturing units, accident reporting, wearing safety equipment and maintaining clean and orderly work locations.

We continually aim to comply with the applicable health and safety regulations and other requirements in our business operations.

#### **Sales and Marketing**

Our Company has 2 (Two) members centralised sales and marketing team garnering customers for its products and building relations with them. The division is directly managed by Directors, considering the critical nature of these operations.

Our sales and marketing team consists of well experienced and qualified people to develop, maintain and increase relations with our customers. Our marketing team plays an important role in the development of new products based on their study and feedback on latest industrial needs. Our Registered Office and manufacturing unit are well synchronised and we endeavour to keep the updated from time to time. We target our marketing activities towards large corporations for our products.

#### **COLLABORATIONS/TIE UPS/ JOINT VENTURES**

As on date of this Draft Prospectus, our Company has not entered into any technical or other Collaboration / Tie Ups / Joint Ventures. However, we have a framework for internal R&D. Innovation is a crucial aspect influencing

our business and the satisfaction of our customers, so the R&D team frequently performs research and analysis for product development and enrichment.

### **INSURANCE POLICIES**

Sr. No.	Name of Insurer	Type of Policy	Validity	Policy No.	Sum Insured (₹)	Premium P. A (₹)
1	Bajaj Allianz General Insurance Company Limited	Machinery and Stock in progress	23/03/2023 to 22/03/2024	OG-23-1933-4057-00000634	15,00,00,000	92.414.00

### **UTILITIES & INFRASTRUCTURE FACILITIES**

#### **Water**

In our corporate office and factory premises we require water only for general purposes for which a water tanker is purchased on a daily basis from local tanker services.

#### **Power**

The cost per unit for both Manufacturing Unit and Corporate Office is Rs.6.89/Unit.

#### **Exports & Exports Obligations**

As on the date of this Draft Prospectus, our Company does not have any Export Obligation.

#### **Manpower**

Details of our Manpower as on August 31, 2023 is as under -

Division	No. of employees
Accounts Department	4
Administration and Management including KMP	7
Design and Development	1
Operations (Purchase, Logistics, Sales & Marketing Team and Miscellaneous)	19
<b>Total</b>	<b>31</b>

We also hire workers on contract basis at our manufacturing unit as per requirement

### **MATERIAL PROPERTIES**

Sr. No.	Location of the property	Lease Date	Lessor Name	Lease Fees	Usage Purpose	Area	Lease Terms
1	39/5, Village - Waliv, Taluka - Vasai East, District - Palghar, Maharashtra – 401 208, India.	May 15, 2023	PKH Ventures Limited	₹ 2,10,000 per month	Registered Office, Manufacturing Unit and Godown	10,000 Sq. Ft	5 Years from April, 2023

#### **Intellectual Property**

As on the date of this Draft Prospectus, neither has Our Company registered its logo or company's name with the Registrar of Trademarks nor does it own any trademarks registered under the Trademarks Act. Further, the company does not have any other kind of Intellectual Property Rights and has confirmed that no other applications have been made by our Company nor has it registered any other type of intellectual property including trademarks/ copyrights/ patents etc.

In the future the company may make an application with the Registrar of Trademarks to register its logo or company's name.

### **Corporate Social Responsibility**

Our Company has adopted a CSR policy in compliance with the requirements of the Companies Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014. We have incurred ₹ 6.00 lakhs, ₹ Nil and ₹ Nil during the Fiscal 2023, Fiscal 2022 and Fiscal 2021, respectively towards corporate social responsibility.



## KEY INDUSTRIAL REGULATIONS AND POLICIES

*The following description is an overview of certain sector-specific relevant laws and regulations in India which are applicable to the operations of our Company and its business. The description of laws and regulations set out below is not exhaustive and is only intended to provide general information to Bidders. The information in this section is neither designed nor intended to be a substitute for professional legal advice and investors are advised to seek independent professional legal advice.*

*The statements below are obtained from publications available in the public domain based on the current provisions of applicable Indian law, and the judicial, regulatory and administrative interpretations thereof, which are subject to change or modification by legislative, regulatory, administrative, quasi-judicial or judicial decisions/actions and our Company or the LM are under no obligation to update the same.*

### **A. Industry Related Laws and Regulations**

#### ***The Legal Metrology Act, 2009 (“Legal Metrology Act”) and Legal Metrology (Packaged Commodities) Rules, 2011***

The Legal Metrology Act was enacted to establish and enforce standards of weights and measures and to regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number. It repealed and replaced the Standard of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. Making use of any numeration not in accordance with the standards of weights and measures prescribed under the Legal Metrology Act may be punished by a fine which may extend to ₹25,000 and for the second or subsequent offense, with imprisonment for a term not exceeding six months and also with fine. Any transaction, deal or contract in contravention of the standards of weights and measures prescribed by the government may be punished with fine which may extend to ₹ 10,000 and for the second or subsequent offence, with imprisonment for a term which may extend to one year, or with fine, or both. The Legal Metrology Act permits the central government to make rules thereunder to carry out provisions of the Act. Further, states may, after consultation with the central government, frame state specific rules under this Act to provide for the time limits for verification of weights and measures, maintenance of registers and records, manner of notifying government authorities, fees for compounding of offences etc.

The Legal Metrology (Packaged Commodities) Rules, 2011 framed under the Legal Metrology Act lay down specific provisions applicable to packages intended for retail sale, wholesale packages and for export of packaged commodities and also provide for registration of manufacturers, packers and importers. Also, the Legal Metrology (Government Approved Test Centre) Rules, 2013 have laid down specifications about verification of weights and measures specified therein by government approved test centre.

#### ***Environment Laws***

We are subject to various environmental regulations as the operation of our establishments might have an impact on the environment. The basic purpose of such statutes is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Boards (“PCBs”), have been set up in each state and at the central level. Establishments, as prescribed under various regulations may be required to obtain consent orders from the PCBs. These consent orders are required to be renewed periodically.

#### ***Electricity Act, 2003***

The Electricity Act, 2003 (the “**Electricity Act**”) was enacted to regulate the generation, transmission, distribution, trading and use of electricity by authorising a person to carry on the above acts either by availing a license or by seeking an exemption under the Electricity Act. Additionally, the Electricity Act states no person other than Central Transmission Utility or State Transmission Utility, or a licensee shall transmit or use electricity at a rate exceeding 250 watts and 100 volts in any street or place which is a factory within the meaning of the Factories Act, 1948 or a mine within the meaning of the Mines Act, 1952 or any place in which 100 or more persons are ordinarily likely to be assembled. An exception to the said rule is given by stating that the applicant shall apply by giving not less than 7 days’ notice in writing of his intention to the Electrical Inspector and to the District Magistrate or the Commissioner of Police, as the case may be, containing the particulars of electrical installation and plant, if any, the nature and purpose of supply of such electricity. The Electricity Act also lays down the requirement of mandatory use of meters to regulate the use of electricity and authorises the Commission so formed under the Electricity Act, to determine the tariff for such usage. The Electricity Act also authorises the State Government to grant subsidy to the consumers or class of consumers it deems fit from paying the standard tariff required to be paid. The Electricity Act also states the mechanism for seeking judicial relief by setting up an Appellate Tribunal and laying down the process to seek justice against the orders of the Commission established under the Electricity Act.

## **Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (the “Hazardous Wastes Rules”)**

The Hazardous Waste Rules define the term “hazardous waste” and any person who has control over the affairs of a factory or premises or any person in possession of the hazardous or other waste is classified as an “occupier”. In terms of the Hazardous Waste Rules, occupiers have been, inter alia, made responsible for safe and environmentally sound handling of hazardous wastes generated in their establishments and are required to obtain license/ authorisation from the respective State PCB for generation, processing, treatment, package, storage, transportation, use, collection, destruction, conversion, offering for sale, transfer or similar activities in relation to hazardous waste. The Hazardous Waste Rules also prescribe the hierarchy in the sequence of priority of prevention, minimization, reuse, recycling, recovery and co-processing. Further, State PCBs are mandated to prepare an inventory of the waste generated, waste recycled, recovered and utilized including co-processed, reexported and disposed, based on annual returns received from occupiers and operators, and submit it to the Central Pollution Control Board on an annual basis.

## **The Maharashtra Electronics Policy, 2016**

The Maharashtra Electronics Policy, 2016 was introduced to create a global competitive Electronics System Design and Manufacturing (“ESDM”) industry in the state which can create huge employment opportunities for the people of Maharashtra and gain a foothold in the international market, thereby contributing to the overall economy and prosperity. The main objective of Maharashtra Electronics Policy, 2016 is to promote manufacturing of electronics products in their state by creating a favourable investor-friendly atmosphere and to proactively help in the development of a vibrant eco system of research and development, design and engineering and innovation in electronics in the state of Maharashtra. The Government of Maharashtra, through the Maharashtra Electronics Policy, 2016, provides for waiver of electricity, land at subsidised rates, a waiver of electricity dues for 15 years along with uninterrupted power supply, 100% return of VAT among other benefits. The Maharashtra Electronics Policy, 2016, which was issued in 2016 and was set to expire on April 10, 2021, has now been extended till March 31, 2023, which was thereafter extended for a period of 6 months from April 1, 2023 onwards or until the new policy on the subject comes into force, whichever is earlier.

## ***Municipality Laws***

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India have power to endow the municipalities with power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India. The respective States of India have enacted laws empowering the municipalities to issue trade license for operating stores and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

## ***Professional Tax***

The professional tax slabs in India are applicable to those citizens of India who are either involved in any profession or trade. The State Government of each State is empowered with the responsibility of structuring as well as formulating the respective professional tax criteria and is also required to collect funds through professional tax. The professional taxes are charged on the incomes of individuals, profits of business or gains in vocations. The professional tax is charged as per the List II of the Constitution. The professional taxes are classified under various tax slabs in India. The tax payable under the State Acts by any person earning a salary or wage shall be deducted by his employer from the salary or wages payable to such person before such salary or wages is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary and wage is paid to such persons, be liable to pay tax on behalf of such person and employer has to obtain the registration from the assessing authority in the prescribed manner. Every person liable to pay tax under these Acts (other than a person earning salary or wages, in respect of whom the tax is payable by the employer), shall obtain a certificate of enrolment from the assessing authority.

## ***Transfer of Property Act, 1882***

The Transfer of Property Act, 1882 (the “*T.P. Act*”) governs the transfer of property, including immovable property, between natural persons excluding a transfer by operation of law. The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. The T.P. Act also provides for the rights and liabilities of the vendor and purchaser in case of a transaction relating to sale of property and the lessor and lessee if the transaction involves lease of land, as the case may be.

### ***Sale of Goods Act, 1930***

The Sale of Goods Act, 1930 (the “*Sale of Goods Act*”) governs contracts relating to the sale of goods. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract for sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for the sale of goods.

### ***The Registration Act, 1908***

The Registration Act, 1908 (the “*Act*”) was passed to consolidate all the previous legislations which were enacted in relation to the registration of documents. This Act was promulgated to achieve the purpose of maintaining a proper regulatory record of transactional documents with a recognized officer in order to safeguard the original copies. The Act lays down two types of registration of documents, one being mandatory registration, which has been laid down under Section 17 of the Act and relates to documents such as, *inter alia* gift deed or transfer deed for an immovable property, non-testamentary instruments purporting to an interest in any immovable property, leasing or renting an immovable property. The other type of registration has been laid down under Section 18 of the Act which provides for the category of documents, registration of which is optional or discretionary and include, wills, instrument for transfer of shares, adoption deeds, etc. Failure to register a document under Section 17 of the Act can attract severe consequences, including declaration of invalidity of the transfer in question; however, no such consequence is attracted in case of Section 18 of the Act. Sections 28 and 31 of the Act provide the sub-registrars and other officers, the authority to register documents under this Act. Registration of a document, provides authenticity to a document and also acts as a conclusive proof in relation to the execution of such a document in the court of law.

### ***Indian Stamp Act, 1899***

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the Union list mentioned in the Seventh Schedule of the Constitution of India, is governed by the provisions of the Indian Stamp Act, 1899 (the “*Act*”), all others instruments are required to be stamped, as per the rates laid down by the State Governments. Stamp duty is required to be paid on such category of transaction documents laid down under the various laws of the states, which denotes that stamp duty was paid before the document became legally binding. The stamp duty has to be paid on such documents or instruments and at such rates which have been specified in the First Schedule of the Act. Instruments as mentioned in the said schedule of the Act, if are not duly stamped are not admissible in the court of law as valid evidence for the transaction contained therein. The Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the relevant authorities and validated by imposing of penalty on the parties. The amount of penalty payable on such instruments may vary from state to state.

## **B. TAX RELATED LAWS**

The tax related laws that are applicable to our Company include the Customs Act, 1962, the Income Tax Act, 1961, the Income Tax Rules, 1962 and GST which includes the Central Goods and Services Tax Act, 2017, various State Goods and Services Tax legislations, and the Integrated Goods and Services Tax Act, 2017.

## **C. FOREIGN INVESTMENT RELATED LAWS AND REGULATIONS**

Foreign investment in India is governed by the provisions of FEMA along with the rules, regulations and notifications made by RBI thereunder, and the Consolidated FDI Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“*DIPP*”) from time to time. Under the current FDI Policy (effective October 15, 2020) 100% foreign direct investment is permitted in the animal husbandry sector, under the automatic route.

As per the SEBI (Foreign Portfolio Investors) Regulations, 2019 (“*SEBI FPI Regulations*”), investments by Foreign Portfolio Investors (“*FPIs*”) in the capital of an Indian company under the SEBI FPI Regulations are subject to individual holding limits of 10% of the total paid up equity capital on a fully diluted basis of the company per FPI. If the investment exceeds the threshold limit of 10% the investor must divest the excess holding within five days of the breach, and if not accordingly divested, the entire investment in the company by the FPI shall be considered as FDI and the FPI will be prohibited from making further investments in the company under the regulations.

### ***Overseas Direct Investment (“ODI”)***

In terms of the Master Direction No. 15/2015-16 on Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary Abroad issued by the RBI, dated January 1, 2016, an Indian entity can make ODI under the automatic route up to limits prescribed by the RBI, which currently should not exceed 400% of its net worth.

ODI can be made by investing in either joint ventures or wholly owned subsidiaries outside India. Any financial commitment exceeding USD one billion (or its equivalent) in a financial year would require prior approval of the RBI.

#### ***D. Intellectual Property Laws***

##### ***Information Technology Act, 2000***

The Information Technology Act, 2000 (the “**IT Act**”) creates a liability on a body corporate which is negligent in implementing and maintaining reasonable security practices and procedures, and thereby causing wrongful loss or wrongful gain to any person, while possessing, dealing with, or handling any sensitive personal data or information in a computer resource owned, controlled or operated by it but affords protection to intermediaries with respect to third party information liability. The IT Act also provides for civil and criminal liability including compensation, fines, and imprisonment for various computer related offences. These include offences relating to unauthorised disclosure of confidential information and committing of fraudulent acts through computers, tampering with source code, unauthorised access, publication or transmission of obscene material etc. The IT Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. Additionally, the IT Act empowers the Government of India to direct any of its agencies to intercept, monitor or decrypt any information in the interest of sovereignty, integrity, defence and security of India, among other things. In April 2011, the Department of Information Technology under the Ministry of Communications and Information Technology notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules 2011 under Section 43A of the IT Act and the Information Technology (Intermediaries Guidelines) Rules, 2011 under Section 79(2) of the IT Act.

##### ***Indian Patents Act, 1970***

The purpose of the Indian Patents Act, 1970 (the “**Act**”) is to protect inventions. Patents provide the exclusive rights for the owner of a patent to make, use, exercise, distribute and sell a patented invention. The patent registration confers on the patentee the exclusive right to use, manufacture and sell his invention for the terms of the patent. An invention means a new product or process involving an inventive step capable of industrial application. An application for a patent can be made by (a) a person claiming to be the true and first inventor of the invention; (b) a person being the assignee of the person claiming to be the true and first inventor in respect of the right to make such an application; and (c) legal representative of any deceased person who immediately before his death was entitled to make such an application.

##### ***Trade Marks Act, 1999***

Indian trademark law permits the registration of trademarks for goods and services. The Trade Marks Act, 1999 (“**Trade Mark Act**”) governs the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. An application for trademark registration may be made by individual or joint applicants and can be made on the basis of either use or intention to use a trademark in the future. Once granted, trademark registration is valid for ten years, unless cancelled, and may be renewed indefinitely upon payment of renewal fees every ten years. If not renewed after ten years, the mark lapses and the registration has to be restored. The Trade Mark (Amendment) Act, 2010 has been enacted by the Government to amend the Trade Mark Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trademark in other countries. It also seeks to simplify the law relating to transfer of ownership of trademarks by assignment or transmission and to align the law with international practice.

In March 2017, the Trade Marks Rules, 2017 (“**Trade Mark Rules**”) were notified, in supersession of the Trade Marks Rules, 2002. The Trade Marks Rules brought with them some changes in the application process, in terms of an increase in application fees and common formats for multiple kinds of applications. However, the e-filing process has been incentivized by providing lower application fees.

#### **E. EMPLOYMENT RELATED LAWS**

##### ***The Code on Wages, 2019***

The Code on Wages, 2019 received the assent of the President of India on August 8, 2019 and proposes to subsume four existing laws namely, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. The Central Government has notified certain provisions of this code mainly in relation to the constitution of the advisory board.

##### ***The Occupational Safety, Health and Working Conditions Code, 2020***

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

#### ***The Industrial Relations Code, 2020***

The Industrial Relations Code, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume three existing legislations, namely, the Industrial Disputes Act, 1947, the Trade Unions Act, 1926 and the Industrial Employment (Standing Orders) Act, 1946. The provisions of this code will be brought into force on a date to be notified by the Central Government.

#### ***The Code on Social Security, 2020***

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganised Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government.

#### ***Factories Act, 1948***

The Factories Act, 1948 (the "***Factories Act***") regulates the provisions relating to labour employed in factories. This Act defines a factory as any premises on which ten or more workers are employed or were employed on any day of the previous twelve (12) months, and on which a manufacturing process is being carried on with the aid of power, or a premises on which twenty or more workers are employed or were employed on any day of the previous twelve (12) months and on which a manufacturing process is carried on ordinarily without the use of power. The Factories Act provides for the health, safety, and welfare of all workers and requires that the '*Occupier*' (defined as the person who has ultimate control over the affairs of the factory and in case of a company, any one of the directors) ensures that all the workers are within safe working conditions while they are in the factory, and are not exposed to any health risks and that they receive adequate instruction, training and supervision to ensure the same. The Factories Act also makes provisions relating to the employment of women and young persons (including children and adolescents), annual leave with wages, etc.

The Factories Act requires an Occupier of a factory to obtain approval, license, and registration for running and qualifying as a factory under the Factories Act, by submitting the application along with plans and specifications to the State Government or the Chief Inspector. Unless this permission from the Chief Inspector is obtained, no building can be constructed or taken in use as a factory or a part of an existing factory. The Chief Inspector may, on receipt of the said application and on being satisfied that there is no objection to the grant of license applied for, register the factory and grant the license to the applicant to use as factory such premises as are specified in the application and subject to compliance with such conditions as are specified in the license.

Any contravention of the provisions of the Factories Act or the rules framed thereunder may lead to imprisonment of the manager or the Occupier of the factory for a term up to two (2) years or with a fine of ₹ 100,000 or both, and in case of continuing contravention even after conviction, with a fine of up to ₹ 1,000 per day of contravention. In case of a contravention which results in an accident causing death or serious bodily injury, the fine shall be not less than ₹ 25,000 and ₹ 5,000 respectively.

#### ***Industries (Development and Regulation) Act, 1951***

The Industries (Development and Regulation) Act, 1951 (the "***Act***") governs the development and regulation of industries in India, and its main objective is to empower the Government to: (i) take necessary steps for the development of industries; (ii) regulate the pattern and direction of industrial development; and (iii) control the activities, performance and results of industrial undertakings in public interest. The Act is applicable to the '*Scheduled Industries*' which have been listed down in the first schedule of the Act and small-scale industrial undertakings and ancillary units are exempted from the provisions of the Act.

The Act regulated the industries by requiring them to obtain industrial licensing by filing an Industrial Entrepreneur Memoranda with the Secretariat of Industrial Assistance, Department of Industrial Policy and Promotion. This Act is administered by the Ministry of Industries and Commerce through its Department of Industrial Policy & Promotion. This department is responsible for the formulation and implementation of promotional and developmental measures for growth of the industrial sector and also monitors the industrial growth and production, in general, and selected industrial sectors.

In addition to above, we are subject to a wide variety of generally applicable labour laws concerning condition of working, benefit and welfare of our labourers and employees such as the Sexual Harassment of Women at

Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees' (Provident Fund and Miscellaneous Provision) Act, 1952.

***Industrial Employment (Standing Orders) Act, 1946***

In order to strengthen the bargaining powers of the workers this act is enacted, it requires the employers to formally define the working conditions to the employee. As per this act, an employer is required to submit five copies of standing orders required by him for adoption of his industrial establishment. An employer failing to submit the draft standing orders as required by this act shall be liable to pay fine as per section 13 of this act.

***Contract Labour (Regulation and Abolition) Act, 1970, as amended (the "CLRA Act")***

The CLRA Act requires the principal employer of an establishment in which twenty or more workmen are employed or were employed on any day of the preceding twelve months as contract labour, to make an application to the concerned officer for registration of the establishment. In the absence of registration, contract labour cannot be employed in the establishment. Likewise, every contractor who employs or who employed on any day of the preceding twelve months twenty or more workmen, 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 CLRA Act imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA Act.

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

The ESI Act, provides for certain benefits to employees in case of sickness, maternity and employment injury. All employees in establishments covered by the ESI Act are required to be insured, with an obligation imposed on the employer to make certain contributions in relation thereto. In addition, the employer is also required to register itself under the ESI Act and maintain prescribed records and registers. Employees (Provident Fund and Miscellaneous Provisions) Act, 1952, as amended (the "EPF Act") The EPF Act applies to factories employing over 20 employees and such other establishments and industrial undertakings as notified by the GoI from time to time. It requires all such establishments to be registered with the state provident fund commissioner and requires such employers and their employees to contribute in equal proportion to the employees' provident fund the prescribed percentage of basic wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit a monthly return to the State provident fund commissioner.

***Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 ("the Act")***

The Act was enacted to regulate the employment and conditions of service of building and other construction workers and to provide for their safety, health and welfare measures and for other matters connected therewith or incidental thereto.

***F. General Corporate and Other Allied Laws***

Apart from the above list of laws which is inclusive in nature and not exhaustive – general laws like the Indian Contract Act, 1872, Specific Relief Act, 1963, Negotiable Instruments Act, 1881, Sale of Goods Act, 1930, Consumer Protection Act, 1986, Anti Trust law such as Competition Act, 2002 and corporate Acts namely Companies Act, 1956 and Companies Act, 2013 are also applicable to the Company.

## HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated as “Electro Force (India) private limited” on June 14, 2010 under the provision of Companies Act, 1956 issued by the Registrar of Companies, Mumbai. The status of the Company was changed to public limited and the name of our Company was changed to Electro Force (India) Limited vide Special Resolution dated April 15, 2023 pursuant to conversion of the Company into public limited Company. The fresh certificate of incorporation consequent to conversion was issued on May 11, 2023 by the Registrar of Companies, Mumbai. For further details, please refer to chapter titled “Our History and Certain Corporate Matters” beginning on page 116 of this Draft Prospectus. The new CIN is U51909MH2010PLC204214.

Mr. Pravin Kumar Brijendra Kumar Agarwal and Mr. Alok Kumar Brijendra Kumar Agarwal were the initial subscribers to the Memorandum of Association of our Company. Ayesspea Holdings and Investments Private Limited and Mr. Pravin Kumar Brijendra Kumar Agarwal are the current Promoters of our Company.

For further details of our promoters please refer the chapter titled ‘*Our Promoters and Promoter group*’ beginning on page 121 of this Draft Prospectus.

### Changes in our registered office

Registered Office of the Company is presently situated at 39/5, Village - Waliv, Taluka - Vasai East, District - Palghar, Maharashtra – 401 208, India.

The details of change in Registered Office of our Company are as following:

From	To	With effect from	Reason for Change
142, Garuda House, Upper Govind Nagar, Near Kailahpuri Hanuman Temple, Malad (East) Mumbai – 400097 Maharashtra, India	39/5, Village - Waliv, Taluka - Vasai East, District - Palghar, Maharashtra – 401 208, India.	May 30, 2013	Administrative and Operational convenience

### 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:

- To carry on the business in India and abroad as Manufacturing, Traders, Distributors, Dealers, Exporter, Importer, Brokers, Stockiest & Commission agent, Agency business, Selling & Marketing Business, Electro, Electronic and Instrumentation Items, Components and Devices, Hardware, Assembling, Fabricating and Processors of Agricultural, Commercial, Industrial products, Household, Domestic, Automobiles, Farms and Forest product, Food product, Leather & Leather Products, Rubber and rubber product, Petroleum and Petroleum Products, Engineering product goods, Plant and Machinery, Equipment, Apparatus and other Gadgets, Appliances, Accessories, Spare parts, Computer Hardware, Software, all type. of Dyes & Chemicals, Minerals, Pharmaceutical, Wool, Silk, Yarn, Fibers, Garments, Textiles, Cold Storage, Property & Structure Development, Paper & all kind of Boards, Tea, Timber Products, Rubber, Plastics, Footwear, Marble, Granites, Cement and Ceramic Tiles, Pesticides, Glass A Glassware, Tyres & Tubes, Cement, Fertilizers, Iron & Steel, Copper, Gold, Silver, Diamonds, Precious Stones and Jewellery, Ferrous & Non Ferrous Metals, Electronic toys, Games, Batteries, Button Cells, Telephones & Simcards, Gas Lighters, Calculating Machines, Electronic Organisers, Computer Floppy Diskettes, Audio, video tapes, Compact Discs, T.V. Software, Film and TV Serials, e- commerce, web based solutions and internet portals or any other merchandise and commodity. No money circulating schemes will be carried out by the Company. The company shall undertake not to carry on any scheme/activity which is prohibited under the Act, The prize chits and money circulation scheme (Banning) Act 1978.
- To act as consultants, advisors, supervisors, managing officers, liaising officers and to prepare estimates, designs, plants specifications, models and to procure quotations, conduct site selection, site planning, site supervision, site control, monitoring stage wise completion of work, coordination with various consultants, for purposes of construction of real estates, commercial and residential complexes, flats, building, roads, railways and tramways, docks, harbours, Piers, wharves, canals, serial runways and hangers, airports, reservoirs, embankments, hotels, cold storages, warehouses, cinema houses, markets, public and other buildings, whether in India and abroad.
- To carry on the business of manufacturing, buying, selling, supplying, and distributing all types of trolleys, including but not limited to hand trolleys, platform trolleys, baggage trolleys, and industrial trolleys. The

company may also engage in the business of designing, assembling, and installing trolley systems and related components.

#### **Amendments to the MoA of our company since incorporation:**

Since incorporation, the following amendments have been made to the MoA of our Company:

<b>Sr. No.</b>	<b>Date of Shareholders' approval</b>	<b>EGM/AGM</b>	<b>Authorized Share Capital</b>	<b>Details of amendment</b>
2	January 24, 2011	Extra-Ordinary General Meeting	₹50,000,000	The authorized share capital was increased from ₹10,00,000.00 comprising of 1,00,000 equity shares of face value ₹10.00/- each to ₹ 5,00,00,000.00 comprising of 50,00,000 equity shares of face value of ₹10.00/- each
3	February, 14 2023	Extra-Ordinary General Meeting	₹26,00,00,000	The authorized share capital was increased from ₹ 5,00,00,000.00 comprising of 50,00,000 equity shares of face value of ₹10.00/- each to ₹26,00,00,000.00 comprising of 2,60,00,000 equity shares of face value of ₹10.00/- each

#### **Alteration in Name Clause pursuant to conversion:**

Pursuant to shareholders' resolution passed at Extra Ordinary General Meeting held on April 15, 2023, our Company was converted into a Public Limited Company and the name of the Company was changed to 'Electro Force (India) Limited and a fresh Certificate of Incorporation dated May 11, 2023 was issued by Registrar of Companies, Mumbai. The new CIN is U51909MH2010PLC204214.

#### **Key events and milestones**

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

<b>FY</b>	<b>Achievements</b>
2010	Incorporated under Companies Act 1956 as Electro Force (India) Private Limited
2012-13	Recognition Certificate by L&T Electrical & Automation
2023-24	Conversion of Company from Private Limited to Public Limited

#### **Key awards, accreditations or recognition**

As of date of this Draft Prospectus, we have received Recognition Certificate by L&T Electrical & Automation.

#### **Time and Cost Overrun**

Our Company has not experienced any significant time and cost overrun in setting up projects.

#### **Defaults or rescheduling/ restructuring of borrowings with financial institutions/ banks**

As on date of this Draft Prospectus, there are no defaults or rescheduling of borrowings from financial institutions or banks.

#### **Details regarding material acquisition or disinvestments of business / undertakings, mergers, amalgamation**

Our Company has not made any business acquisition, merger and amalgamation or disinvestment of business since incorporation

#### **Revaluation of assets**

Our Company has neither revalued its assets nor has issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves since incorporation.

#### **Holding Company**

As on the date of this Draft Prospectus Ayesspea Holdings and Investments Private Limited is our holding company.

#### **Subsidiaries of our Company**

As on the date of this Draft Prospectus, our Company does not have a subsidiary company.



### **Associate or Joint ventures of our Company**

As on the date of this Draft Prospectus, our Company does not have any joint ventures or associate companies.

### **Strategic and Financial Partners**

As on date of this Draft Prospectus our Company does not have any strategic and financial partners.

### **Shareholders and Other Agreements**

There are no shareholders and other material agreements, apart from those entered into in the ordinary course of business carried on or intended to be carried on by us.

### **Agreements with key managerial personnel or a Director or Promoters or any other employee of the Company**

There are no agreements entered into except in the ordinary course of business by a Key Managerial Personnel or Director or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

### **Material Agreements**

Our Company has not entered into any material agreements with strategic partners, joint venture partners and/or financial partners, other than in the ordinary course of business of our Company.

### **Fraudulent Borrower**

Our Company or any of our promoter or directors are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016.

### **Injunctions or Restraining Orders**

There are no injunctions/ restraining orders that have been passed against the Company.

### **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 'Restated Financial Statement' and 'Capital Structure' beginning on page no. 134 and 53, respectively, of this Draft Prospectus.

### **Revaluation of Assets**

Our Company has not re-valued its assets since its incorporation.

### **Defaults or rescheduling of borrowings with financial institutions/banks**

There have been no instances of defaults or rescheduling of borrowings with financial institutions/banks as on the date of this Draft Prospectus.

### **Strikes and lock-outs**

As on the date of this Draft Prospectus, our employees are not unionized, hence the above is not applicable to us.

### **Changes in the activities of Our Company having a material effect**

There has been no change in the activities being carried out by our Company which may have a material effect on the profits/ loss of our Company, including discontinuance of the current lines of business, loss of projects or markets and similar factors in the last five years.

### **Number of Shareholders**

Our Company has 7 (Seven) shareholders on date of this Draft Prospectus.

## OUR MANAGEMENT

### Our Board of Directors

As on date of this Draft Prospectus, we have five (5) Directors consisting of one (1) Whole Time Director, One (1) Executive Director, One (1) Non- Executive Directors and Two (2) Independent Directors one of whom is a woman director.

Set forth below, are details regarding our Board as on the date of this Draft Prospectus:

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Date of Appointment	Other Directorships
<b>Mr. Arvind Sharma</b> <b>DIN:</b> 10301091 <b>Date of Birth:</b> April 22, 1986 <b>Age:</b> 38 Years <b>Designation:</b> Chairman and Non- Executive Director <b>Address:</b> H-28, Aran Bagh, Pahar Ganj, Central Delhi – 110055, India <b>Occupation:</b> Business <b>Term:</b> Liable to retire by rotation <b>Nationality:</b> Indian	Appointed as Chairman and Non-Executive Director on September 01, 2023.	Nil
<b>Mr. Saideep Shantaram Bagale</b> <b>DIN:</b> 07196456 <b>Date of Birth:</b> April 20, 1985 <b>Age –</b> 38 Years <b>Designation:</b> Whole-time Director <b>Address:</b> 184/204, Jasmine Chs, Evershine City, Near St Joseph High School, Gokhiware, Vasai East Palghar Maharashtra 401208, India. <b>Occupation:</b> Service <b>Term:</b> Fixed term of 5 Years <b>Nationality:</b> Indian	Appointed as Whole Time Director w.e.f March 30, 2023 for the Term of 5 Years	<ul style="list-style-type: none"> <li>• Artemis Electricals and Projects Limited</li> <li>• Mystery Towers Private Limited</li> </ul>
<b>Ms. Priyanka Yadav</b> <b>DIN:</b> 08858855 <b>Date of Birth:</b> July 05, 1992 <b>Age:</b> 31 Years <b>Designation:</b> Non-Executive Independent Director <b>Address:</b> 407, Om Rachna Society Sector 17, Vashi, Navi Mumbai 400703, Maharashtra India. <b>Occupation:</b> Business <b>Term:</b> For a period of five (05) years with effect from March 30, 2023 <b>Nationality:</b> India	Appointed as Non-Executive Independent Director w.e.f March 30, 2023 for the Term of 5 Years	<ul style="list-style-type: none"> <li>• PKH Ventures Limited</li> <li>• Artemis Electricals And Projects Limited</li> <li>• Garuda Construction And Engineering Private Limited</li> <li>• Eternal Building Assets Private Limited</li> </ul>
<b>Mr. Dilip Kumar Swarnkar</b> <b>DIN:</b> 10088552 <b>Date of Birth:</b> March 13, 1994 <b>Age:</b> 29 Years <b>Designation:</b> Non-Executive Independent Director <b>Address:</b> Makan No, Ward No. 10, Post-ramnagar th-jawad, ramnaar sudoli, Jawad Neemuch, 458330 Madhya Pradesh, India. <b>Occupation:</b> Business <b>Term:</b> For a period of five (05) years with effect from March 30 2023 <b>Nationality:</b> Indian	Appointed as Non-Executive Independent Director w.e.f March 30, 2023 for the Term of 5 Years	NIL

Name, DIN, Date of Birth, Designation, Address, Occupation, Term and Nationality	Date of Appointment	Other Directorships
<b>Mr. Santosh Kumar Palaria</b> <b>DIN:</b> 10094804 <b>Date of Birth:</b> October 10, 1951 <b>Age:</b> 71 Years <b>Designation:</b> Executive Director <b>Address:</b> Sigrun Splendor No 104, D Wing, Evershine City, Vasai East, Palghar – 401 208, Maharashtra India. <b>Occupation:</b> Business <b>Term:</b> Liable to retire by rotation <b>Nationality:</b> Indian	Appointed as Executive Director w.e.f. March 30, 2023.	NIL

### Brief Biographies of our Directors

**Mr. Arvind Sharma**, aged 38 years is the Chairman and Non-Executive Director of our Company. He is a Diploma Holder in Electronics and Telecommunications Engineering from Punajan State Board of Technical Education and Industrial Training, Chandigarh. He is director of our Company since September 01, 2023. He has over 13 years of experience in the engineering and Project Quantity Management, Daily Work progress and he is currently responsible for overall management and affairs of the Company and including devising strategies, developing industry networks for further business development and overall development of the business of the Company.

**Mr. Saideep Shantaram Bagale**, aged 38 years, Whole-Time Director of our Company. He is diploma in mechanical engineering. He is associated with our company since its inception and has worked at various levels before becoming the whole time director of the company. He looks into every aspect of the company and day to day operations. He was appointed as a Director on the Board of our Company on March 30, 2023.

**Ms. Priyanka Yadav**, aged 31 years, is appointed as Independent Director of our Company w.e.f. March 30, 2023. She is a member of the Institute of Company Secretaries of India. She holds a bachelor's degree in laws from University of Mumbai. She has experience in compliance, secretarial and legal advisory. She is also a director of Artemis Electricals and Projects Limited & PKH Ventures Limited. She has an experience of over Five (5) years in the secretarial compliances. She is a practicing Company Secretary and is the proprietor of M/s. Priyanka Yadav & Associates.

**Mr. Dilip Kumar Swarnkar**, aged 29 years, is appointed as Independent Director of our Company w.e.f. March 30, 2023. He is a member of the Institute of Company Secretaries of India. He holds a bachelor's degree in commerce from Devi Ahilya Vishwavidyalaya, Indore (M.P.). He has experience in compliance, secretarial and legal advisory. She has an experience of over Six (6) years. He is a currently Practicing Company Secretary.

**Mr. Santosh Kumar Palaria**, aged 71 years, is the Executive Director of our Company since March 30, 2023. He is undergraduate. He has had an extensive career in the manufacturing industry spanning over five decades, starting with his role as a supervisor at Bharat Commerce of Industries in Rajpura from 1972 to 1978. Following this, he worked as a supervisor at Bhawani Cotton Mills in Abohar for a year before moving on to Orient Syntax Limited in Bhiwari, where he held the position of Senior Supervisor from 1981 to 1982.

His most significant stint was with Bharat Commerce of Industries, Nagda, where he worked from 1983 to 2002. During his tenure, he grew from a supervisor to a department head and played a vital role in the company's growth and development. After leaving Bharat Commerce, he took up the position of Head of Department at Vardhan Syntax Limited in Khamgaon, where he further honed his leadership skills.

For the past two decades, he has been associated with our group at various levels. Currently, he is serving as Additional General Manager, where he bring his extensive experience to the table and work towards driving the company's growth and success.

He is also associated with other company working in same industry. He has more than 4 (four) decades of experience in electronics component Sector.

### Confirmations

- None of the above-mentioned Directors are on the RBI List of willful defaulters or fraudulent borrowers as on date of this Draft Prospectus.*
- None of the above-mentioned Directors have been and/or are being declared as fugitive economic offenders as on date of this Draft Prospectus.*
- 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.*

4. *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.*
5. *Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) during the (5) five years prior to the date of filing the Draft Prospectus or (b) delisted from the stock exchanges.*
6. *There are no arrangements or understandings with major shareholders, customers, 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.*
7. *The Directors of our Company have not entered into any service contracts with our Company which provide for benefits upon termination of employment.*
8. *No proceedings/ investigations have been initiated by SEBI against any Company, the board of directors of which also comprises any of the Directors of our Company. No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms of Companies in which they are interested by any person either to induce him to become or to help him qualify as a Director, or otherwise for services rendered by him or by the firm or Company in which he is interested, in connection with the promotion or formation of our Company.*
9. *Mrs. Priyanka Yadav, is Independent Director and Mr. Saideep Shantaram Bagale is Non-Executive Director in Artemis Electricals and Projects Limited which is listed on BSE Limited.*

Except above none of our Directors of our Company are or were associated in the capacity of a director with any listed company which has been delisted from any stock exchange(s) at any time in the past.

#### **Relationship between our Directors**

None of the directors are related to each other in terms of the definition of 'relative' under Section 2(77) of the Companies Act, 2013:

#### **Arrangements and Understanding with Major Shareholders**

None of our Key Managerial Personnel or Directors have been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others pursuant to which of the directors was selected as a director or member of senior management.

#### **Payment or Benefit to officers of our Company**

Except as stated under “Remuneration details of our executive directors” and “Remuneration details of our non-executive directors and independent directors” and except as disclosed below, no amount or benefit has been paid or given in the last two (2) years preceding the date of this Draft Prospectus to any officer of our Company including our Directors and key management personnel:

#### **Service Contracts**

None of our directors have entered into any service contracts with our company and no benefits are granted upon their termination from employment other than the statutory benefits provided by our company. However, Executive

Directors of our Company are appointed for specific terms and conditions for which no formal agreements are executed, however their terms and conditions of appointment and remuneration are specified and approved by the Board of Directors and Shareholders of the 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 employment.

For further details, please refer to the “Restated Statement of Related Party Transaction” under chapter titled “Financial Statements” beginning on page 134 of this Draft Prospectus.

#### **Borrowing Powers of our Board**

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Our Company has, pursuant to an Extra-ordinary General Meeting held on September 01, 2023 resolved that in accordance with the provisions of the Companies Act, 2013, our Board is authorised to borrow, from time to time, such sum or sums of moneys as the Board which together with the moneys already borrowed by our Company (apart from temporary loans obtained or to be obtained from the Company’s bankers in the ordinary course of business), may exceed at any time the aggregate of the paid – up capital of our Company and its free reserves, that is to say, reserves not set apart for any specific

purpose, provided that the total amount of money/moneys borrowed by the Board of Directors and outstanding at one time shall not exceed Rs. 100 crores.

### **Terms of appointment and remuneration of our Whole-time Director**

Pursuant to a resolution passed by the Board of Directors at the meeting held on March 28, 2023 and approved by the Shareholders of our Company at the EGM held on March 30, 2023, Mr. Saideep Shantaram Bagale was appointed as the Whole time Director of our Company for a period of five (05) years with effect from March 30, 2023 along with the terms of remuneration, which provides that the aggregate of his salary, allowances and perquisites in any one financial year shall be in accordance with Sections 197, 198, Schedule V and other relevant provisions of the Companies Act, 2013 read with the rules prescribed thereunder.

<i>Basic Salary</i>	<i>Rs. 76,000/- per month.</i>
<b>Minimum Remuneration</b>	In the event of loss or inadequacy of profits in any financial year, Mr. Saideep Shantaram Bagale shall be entitled to receive a total remuneration including perquisites, etc., as mentioned above and not exceeding the ceiling limits under Section II of Schedule V of the Companies Act, 2013 subject to the minimum remuneration as prescribed including any statutory modification or re-enactment thereof from time to time as prescribed by the Company.

### **Remuneration details of our Directors**

*i. Remuneration of our Executive Directors*

Our Executive Directors were not paid any remuneration in Fiscal 2023.

*ii. Sitting fee details of our Independent Directors*

Our Independent Directors are entitled to sitting fees for attending meetings of the Board, or of any committee of the Board and as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act, 2013 and other applicable laws and regulations.

### **Payment or benefit to Directors of our Company**

Except as disclosed in this Draft Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of the Executive Directors except the normal remuneration for services rendered as a Director of our Company. Additionally, there is no contingent or deferred compensation payable to any of our directors.

### **Loans to Directors**

There are no loans that have been availed by the Directors from our Company that are outstanding as of the date of this Draft Prospectus.

### **Shareholding of Directors in our Company**

None of our other Directors holds any Equity Shares of our Company as on the date of filing of this Draft Prospectus.

### **Shareholding of Directors in our Subsidiaries**

As on date of this Draft Prospectus, our Company has no wholly owned subsidiary.

### **Interest of our Directors**

Our Executive Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses, if any, payable to them. For details of remuneration paid to our see “*Terms of appointment and remuneration of our Executive Directors*” above.

Pravin Kumar Brijendra Kumar Agarwal is the Promoter of Company and may be deemed to be interested in the promotion of our Company to the extent that they have promoted our Company. Except as stated above, our directors have no interest in the promotion of our Company other than in the ordinary course of business. Our directors may also be regarded as interested to the extent of Equity Shares held by them in our Company, if any, details of which have been disclosed above under the heading “*Shareholding of Directors in our Company*”. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the Equity Shares.

Our Directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoter, directors, partners, proprietors or trustees or kartas or coparceners or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoter, directors, partners, proprietors, members or trustees, pursuant to this Issue. Except as

disclosed in “*Financial Information*” and “*Our Promoters and Promoter Group*” on pages 134 and 124, respectively of this Draft Prospectus, our Directors are not interested in any other company, entity or firm.

Except as stated in “*Restated Financial Information - Significant Accounting Policies and Explanatory Notes to the Restated Financial Statements*” on page 134 of this Draft Prospectus, our Directors do not have any other interest in the business of our Company.

#### **Interest as to property**

Except as disclosed in ‘Our Properties’ of this Draft Prospectus, our Directors do not have any interest in any property acquired or proposed to be acquired by our Company or of our Company.

- Our Directors have no interest in any property acquired or proposed to be acquired by our Company in the preceding two years from the date of this Draft Prospectus;
- Our Directors 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 as on the date of this Draft Prospectus;
- Our Directors have not entered into any contract, agreement or arrangements in relation to acquisition of property, since incorporation in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them as on the date of this Draft Prospectus.

#### **Interest as a creditor of Our Company**

Except as stated in the ‘Details of related party transactions’ on page 134 and chapter titled “Financial Indebtedness” on page no. 169 in the chapter titled ‘Restated Financial Statement’ beginning on page no. 134 of this Draft Prospectus: - Our Company has not availed any loans from our Directors of our Company as on the date of this Draft Prospectus; - None of our sundry debtors or beneficiaries of loans and advances are related to our directors.

#### **Interest as Director of our Company**

Except as stated in the chapter titled ‘*Our Management, ‘Capital Structure’ and ‘Statement of Related Parties’ Transactions*’ beginning on page no. 112, 53 and 179 of this Draft Prospectus, our 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 agreements entered into with our Company, if any and in terms of our AoA.

#### **Interest of Key Managerial Personnel**

Except as stated in this Chapter, none of the 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 as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business. Our key managerial personnel may also be deemed to be interested to the extent of Equity Shares that may be subscribed for and allotted to them, pursuant to this Issue. Such key managerial personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares. None of our key managerial personnel has been paid any consideration of any nature, other than their remuneration except as stated in the chapter titled ‘*Our Management, ‘Capital Structure’ and ‘Details of Related Party Transactions*’ beginning on page no.112, 53 and 134 of this Draft Prospectus.

#### **Details of Service Contracts**

Except as stated in the ‘*Details of Related Party Transactions*’ Transactions’ on page no. 134 and in the Chapter titled “*Financial Indebtedness*” of our Company on page no. 169 of this Draft Prospectus, there is no service contracts entered into with any Directors for payments of any benefits or amount upon termination of employment.

#### **Contingent and Deferred Compensation payable to Directors**

No Director has received or is entitled to any contingent or deferred compensation as on the date of filing this Draft Prospectus. Further, there is no contingent or deferred compensation accrued for the year, which is payable to our Directors as on the date of filing this Draft Prospectus.

#### **Bonus or Profit Sharing Plan for our Directors**

There is no bonus or profit-sharing plan for the Key Management Personnel of our Company.

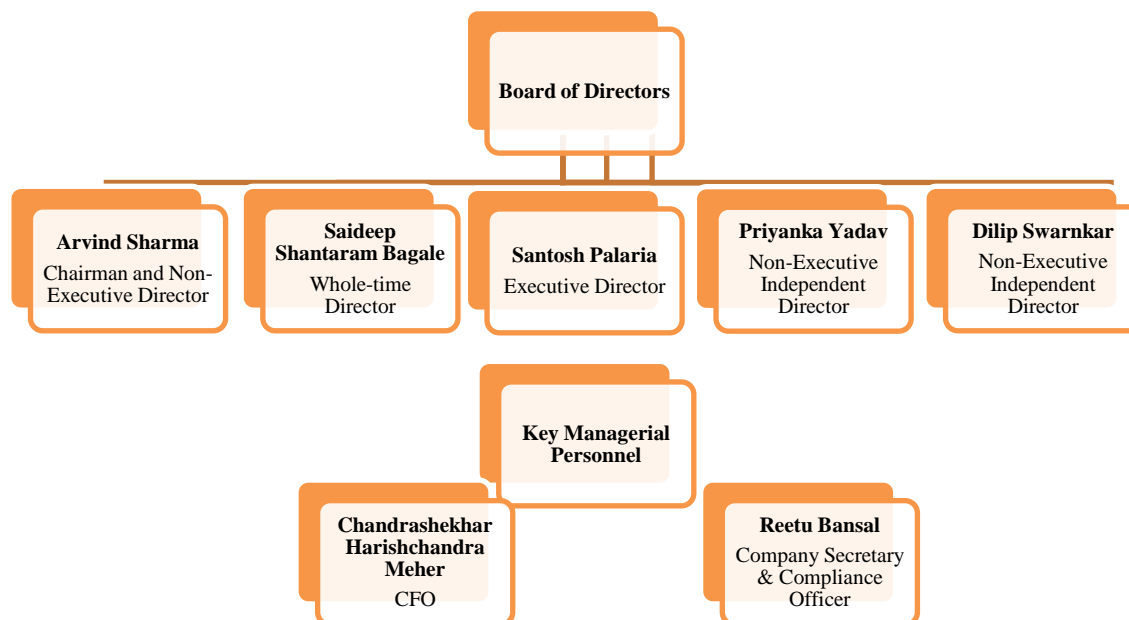
#### **Changes in our Board during the Last Three Years**

Except as disclosed below, there have been no changes in our Board during the last three years.

Sr.	Name of Director	Date of Change	Reason for change
1.	Mr. Pravin Kumar Brijendra Kumar Agarwal	08.09.2021	Appointment
2.	Mr. Rudolf John Corriea	08.09.2021	Resignation
3.	Mr. Saideep Shantaram Bagale	30.03.2023	Appointment
4.	Ms. Priyanka Yadav	30.03.2023	Appointment
5.	Mr. Dilip Kumar Swarnkar	30.03.2023	Appointment
6.	Mr. Santosh Kumar Palaria	30.03.2023	Appointment
7.	Mr. Pravin Kumar Brijendra Kumar Agarwal	01.09.2023	Resignation
8.	Mr. Arvind Sharma	01.09.2023	Appointment

## Management Organization Structure

Set forth is the management organization structure of our Company



## Corporate Governance

The provisions of the SEBI Listing Regulations and the Companies Act with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares on the Stock exchange.

We are in compliance with the requirements of the applicable regulations, including the SEBI Listing Regulations, Companies Act and the SEBI (ICDR) Regulations, in respect of corporate governance including constitution of our Board and Committees thereof. Our corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law. As on date of this Draft Prospectus, we have five (5) Directors consisting of one (1) Whole Time Director, One (1) Executive Director, One (1) Non- Executive Directors and Two (2) Independent Directors one of whom is a woman director.

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

### Committees of our Board

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- Audit Committee;
- Stakeholders' Relationship Committee; and
- Nomination and Remuneration Committee.
- CSR Committee.

Details of each of these committees are as follows:

#### a) *Audit Committee*

Our Audit Committee was constituted on March 31, 2023 and re-constituted on September 7, 2023 with the following members forming a part of the said Committee:

Sr. No.	Name of Member	Designation	Nature of Directorship
1.	Dilip Swarnkar	Chairman	Non-Executive Independent Director
2.	Priyanka Yadav	Member	Non-Executive Independent Director
3.	Arvind Sharma	Member	Non-Executive Non-Independent Director

The Audit Committee is in compliance with Section 177 of the Companies Act 2013 and Regulation 18 of the SEBI Listing Regulations. The Company Secretary shall act as the secretary of the Audit Committee.

The scope, functions and the terms of reference of our Audit Committee, is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations which are as follows:

**A. Powers of Audit Committee**

The Audit Committee shall have the following powers:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary
- Such other powers as may be prescribed under the companies Act and SEBI Listing Regulations.

**B. Role of the Audit Committee**

The role of the audit committee shall include the following:

1. Oversight of 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. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions; and
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly/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. Monitoring the end use of funds raised through public offers and related matters;
8. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
9. Approval of any subsequent modification of transactions of the company with related parties;

**Explanation:** The term "related party transactions" shall have the same meaning as provided in Clause 2 (zc) of the SEBI Listing Regulations and/or the Accounting Standards.

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 of any significant findings and follow up there on;
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. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
19. Reviewing the functioning of the whistle blower mechanism;
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 and background, etc. of the candidate;
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee; and
22. Reviewing the utilization of loans and/or advances from/investments by the holding company in the subsidiary exceeding rupees one hundred crores or 100% of the asset size of the subsidiary, whichever is lower including existing loans / advances/ investments, as may be applicable.
23. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

Further, the Audit Committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- Appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- 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 Listing Regulations.
  - b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) the SEBI Listing Regulations.

As required under the SEBI Listing Regulations, the Audit Committee shall meet at least four times a year with maximum interval of four months between two meetings and the quorum for each meeting of the Audit Committee shall be two members or one third of the members, whichever is greater, provided that there should be a minimum of two independent directors present.

**b) Stakeholders' Relationship Committee**

Our Stakeholder' Relationship Committee was constituted on March 31, 2023 and re-constituted on September 7,2023 with the following members:

Sr. No.	Name of Member	Designation	Nature of Directorship
1.	Arvind Sharma	Chairman	Non-Executive Non-Independent Director
2.	Priyanka Yadav	Member	Non-Executive Independent Director
3.	Dilip Swarnkar	Member	Non-Executive Independent Director

The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act 2013 and Regulation 20 of the SEBI Listing Regulations. The Company Secretary shall act as the secretary of the Stakeholders' Relationship Committee.

The scope and function of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations and the terms of reference, powers and scope of the Stakeholders' Relationship Committee of our Company include:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipts of annual reports, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings, etc.;
2. Review of measures taken for effective exercise of voting rights of by shareholders;
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar and Share Transfer Agent;
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipts of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company; and
5. Carrying out any other function as prescribed under the SEBI Listing Regulations as and when amended from time to time.

As required under the SEBI Listing Regulations, the Stakeholders Relationship Committee shall meet at least once a year, and the Chairman of the committee shall be present at the annual general meetings to answer queries of the security holders. The quorum of the meeting shall be either two members or one third of the members of the committee whichever is greater.

**c) *Nomination and Remuneration Committee***

Our Nomination and Remuneration Committee was constituted on March 31, 2023 and re-constituted on September 7, 2023 with the following members:

<b>Sr. No.</b>	<b>Name of Member</b>	<b>Designation</b>	<b>Nature of Directorship</b>
1.	Priyanka Yadav	Chairman	Non-Executive Independent Director
2.	Dilip Swarnkar	Member	Non-Executive Independent Director
3.	Arvind Sharma	Member	Non-Executive Non-Independent Director

The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act 2013 and Regulation 19 of the SEBI Listing Regulations. The Company Secretary shall act as the secretary of the Nomination and Remuneration Committee.

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations and the terms of reference, powers and role of our Nomination and Remuneration Committee are as follows:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates.
3. formulation of criteria for evaluation of performance of independent directors and the board of directors;
4. devising a policy on diversity of board of directors;
5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
6. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

7. recommend to the board, all remuneration, in whatever form, payable to senior management;
8. framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or overseas, including:
  - the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 or the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent each is applicable; or
  - the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003;
9. evaluating the performance of the independent directors and on the basis of their performance evaluation recommending the Board of Directors and the members of the Company to extend or continue the term of appointment of the independent director; and
10. performing such other activities as may be delegated by the Board of Directors and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

As required under the SEBI Listing Regulations, the Nomination and Remuneration Committee shall meet at least once a year, and the chairman of the committee shall be present at the annual general meetings to answer queries of the shareholders. The quorum for each meeting of the said committee shall be either two members or one-third of the members of the committee whichever is greater, including at least one independent director in presence.

**d) Corporate Social Responsibility Committee**

Our Corporate Social Responsibility Committee was constituted on March 31, 2023 and re-constituted on September 7, 2023 with the following members:

Sr. No.	Name of Member	Designation	Nature of Directorship
1.	Arvind Sharma	Chairman	Non-Executive Non-Independent Director
2.	Priyanka Yadav	Member	Non-Executive Independent Director
3.	Dilip Swarnkar	Member	Non-Executive Independent Director

The Corporate Social Responsibility Committee is in compliance with Section 135 of the Companies Act 2013. The Company Secretary shall act as the secretary of the Corporate Social Responsibility Committee.

The scope and function of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013 read with rules thereunder and the terms of reference, powers and role of our Corporate Social Responsibility Committee are as follows:

1. formulate and recommend to the Board, a “Corporate Social Responsibility Policy” which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board
2. identify corporate social responsibility policy partners and corporate social responsibility policy programmes
3. review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and the distribution of the same to various corporate social responsibility programs undertaken by the Company
4. delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities
5. review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
6. any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time, and
7. exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

As required under the Companies Act 2013, the Corporate Social Responsibility Committee shall meet as often as required, and the chairman of the committee shall be present at the annual general meetings to answer queries of the shareholders.

**Our Key Managerial Personnel**

For details in relation to the biographies of our Executive Directors, see “– Brief Biographies of our Directors” on page 112. The details of the Key Managerial Personnel of our Company are as follows:

**Chandrashekhar Harishchandra Meher**, aged 56 years, is Chief Financial Officer of our Company. He holds Bachelor degree in Arts. Having experience of more than 12 years in accounts and finance. He has not been paid any remuneration in FY 2023.

**Reetu Bansal**, aged 36 years, is the Company Secretary and Compliance Officer of our Company. She has been appointed as Company Secretary with effect from August 01, 2023. She is an associate member of Institute of Company Secretaries of India, She also a Law graduate from Mahavir Law College, Jaipur. Having one year of experience in company law compliances. She has not been paid any remuneration in FY 2023.

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

#### **Relationship of Key Managerial Personnel with our Directors, Promoters and / or other Key Managerial Personnel**

Except as disclosed under the heading “*Relationship between our Directors*” and herein above, none of the key managerial personnel are related to each other or to our Promoters or to any of our Directors.

#### **Shareholding of the Key Managerial Personnel**

None of the Key Managerial Personnel holds any shares of the company.

#### **Bonus or Profit Sharing Plan for our Key Managerial Personnel**

As on the date of this Draft Prospectus our Company does not have any performance linked bonus or profit-sharing plan with any of our key managerial personnel and any bonus and/ or profit sharing plan for the Key Managerial Personnel, except the normal bonus payment as a part of remuneration except as disclosed in ‘Note 25: Statement of Related Parties’ Transactions’ under the chapter ‘Restated Financial Statement’ beginning on page no. 134 of this Draft Prospectus

#### **Arrangement / Understanding with Major Shareholders / Customers / Suppliers**

As on the date of this Draft Prospectus, Our Company has no arrangement or understanding with major shareholders, customers, suppliers or others pursuant to which any of the Directors or Key Managerial Personnel was selected as a Director or member of senior management.

#### **Payment or benefit to Key Managerial Personnel of our Company**

Except as disclosed in this Draft Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of the Key Managerial Personnel except the normal remuneration for services rendered by them. Additionally, there is no contingent or deferred compensation payable to any of our Key Managerial Personnel.

- None of our Key Managerial Personnel has entered into any service contracts with us and no benefits are granted upon their termination from employment other that statutory benefits provided by our company and further, our Company has appointed certain Key Managerial Personnel i.e. Chief Financial Officer and Company Secretary and Compliance officer for which our company has not executed any formal service contracts; although they are abide by their terms of appointments.

#### **Interest of Key Managerial Personnel**

Except as disclosed in this Draft Prospectus, none of our Key Managerial Personnel’s have any interest in our Company other than to the extent of the remuneration, equity shares held by them or benefits to which they are entitled to our Company as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Further, there is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Key Managerial Personnel have been appointed.

#### **Changes in Key Managerial Personnel in the Last Three Years**

Set forth below, are the changes in our Key Managerial Personnel in the last three years immediately preceding the date of filing of this Draft Prospectus:

<b>Name</b>	<b>Designation</b>	<b>Date of change</b>	<b>Reason</b>
Sweta Acharya	Company Secretary	14.06.2021	Resignation
Dhiraj Agrawal	Company Secretary	31.03.2023	Appointment
Chandrashekhar Harishchandra Meher	CFO	31.03.2023	Appointment
Dhiraj Agrawal	Company Secretary	30.07.2023	Resignation
Reetu Bansal	Company Secretary	01.08. 2023	Appointment

The attrition of the key management personnel is as per the industry standards.

#### **Employees' Stock Option Plan**

As on date of this Draft Prospectus, our Company does not have any employee stock option plan or purchase schemes for our employees.

#### **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.

#### **Loans to Key Managerial Personnel**

Except as disclosed in chapter 'Restated Financial Statement' beginning on page no. 134 of this Draft Prospectus, there are no loans outstanding against the Key Managerial Personnel as on the date of this Draft Prospectus.

#### **Payment of Benefits to our Key Managerial Personnel (Non- Salary Related)**

Except for the payment of salaries, perquisites and reimbursement of expenses incurred in the ordinary course of business and as disclosed in '*Details of Related Party Transaction*' Transactions' under the chapter '*Restated Financial Statement*' beginning on page no. 134 of this Draft Prospectus we do not have any performance linked bonus or profit sharing plan with any of our Key Managerial Personnel. Further, we have not paid/ given any other 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 Prospectus.

#### **Service Contracts with Key Managerial Personnel**


Except as stated in this Chapter, as on the date of this Draft Prospectus, our Company has not entered into any service contracts with the Key Managerial Personnels.

## OUR PROMOTERS AND PROMOTER GROUP

### OUR PROMOTER

The promoters of our Company are Ayesspea Holdings and Investments Private Limited and Pravin Kumar Brijendra Kumar Agarwal. As on the date of this Draft Prospectus, our Promoters hold, 1,39,51,216 Equity Shares, constituting 80.18% of our pre – Issue, subscribed and paid-up equity share capital of our Company. For details of the build-up of our Promoter’s shareholding in our Company, *please refer the chapter titled “Capital Structure”* on page 53 of this Draft Prospectus.

#### DETAILS OF OUR INDIVIDUAL PROMOTER

	<p><b>PRAVIN KUMAR BRIJENDRA KUMAR AGARWAL</b></p> <p>Mr. Pravin Kumar Brijendra Kumar Agarwal, aged 52 years, is promoter of our Company. He has over twenty-five (25) years of experience in various businesses like Construction &amp; Development, Hospitality and Management Services.</p> <p>Nationality - India</p> <p>Date of Birth – April 05, 1971</p> <p>Address - 1105, Tower A, Raheja Sherwood, Western Express Highway, B/H Hub Mall, Goregaon East, Mumbai - 400 063, Maharashtra, India.</p>
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#### Directorship of Pravin Kumar Brijendra Kumar Agarwal

1. Artemis Greenpower Private Limited
2. Aroma Coffees Private Limited
3. Purple N Blue Events Private Limited
4. Garuda Urban Remedies Limited
5. Garuda Amusements Park (Nagpur) Private Limited
6. Makindian Township Private Limited
7. Golden Chariot Retreats and Infra Private Limited
8. Narrow Structures Private Limited
9. Eternal Building Assets Private Limited
10. P.K. Global Amusement Park Limited
11. Ayesspea Holdings and Investments Private Limited
12. Garuda Construction and Engineering Private Limited
13. Poonam Anjali Ventures Private Limited
14. NS Patil Developers Private Limited
15. Eternal Infra Private Limited
16. PKH Ventures Limited
17. Deepa Travel Pvt Ltd

*For details of the build-up of our Promoter’s shareholding in our Company, please see “Capital Structure – Shareholding of our Promoters” beginning on page no 53 of this Draft Prospectus.*

Our Company confirms that the permanent account number, bank account number, passport number, Aadhaar number and driving license number of our Promoter shall be submitted to the Stock Exchange at the time of filing of this Draft Prospectus.

#### DETAILS OF OUR CORPORATE PROMOTER

##### Ayesspea Holdings and Investments Private Limited

Ayesspea Holdings and Investments Private Limited was incorporated as private limited company on November 08, 2010, under companies act 1956. Its registered office is situated at 142, Garuda House, Upper Govind Nagar Malad (East) Mumbai – 400097, Maharashtra, India. It is involved in business of investment company. There has been no changes in nature of the business of Ayesspea Holdings and Investments Private Limited.

One of our Promoter Pravin Kumar Brijendra Kumar Agarwal is ultimate beneficial owner of Ayesspea Holdings and Investments Private Limited and he directly as well as through corporate entities owns more than 80% of Ayesspea Holdings and Investments Private Limited.

As on the date of this Draft Prospectus, Ayesspea Holdings and Investments Private Limited holds 1,37,63,296 Equity Shares constituting 79.10% of the pre-Offer Equity Share capital of our Company. For details in relation to the purchase of Equity Shares by Ayesspea Holdings and Investments Private Limited of our Company, see

“Capital Structure” on page 53

### **Details of change in control**

There has been no change in the control of Ayesspea Holdings and Investments Private Limited in the last three years preceding the date of this Draft Prospectus.

Our Company confirms that the permanent account number, bank account number, company registration number of Ayesspea Holdings and Investments Private Limited and the address of Registrar of Companies where Ayesspea Holdings and Investments Private Limited is registered, shall be submitted to the Stock Exchange at the time of filing of this Draft Prospectus with them.

### **Our Promoters and members of our Promoter Group confirm that: -**

- They 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 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;
- They have not been declared as a fugitive economic offender under Section 12 of Fugitive Economic Offenders Act, 2018; - Have not declared as ‘Fraudulent Borrower’ by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 01, 2016;
- They are not a Promoters, directors or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI;
- They have not been identified as a willful defaulter by RBI or any other Government authority; and

There are no violations of securities laws committed by them in the past or any such proceedings are pending against them.

### ***Relationship of Promoters with our Directors***

As on date of filing the Draft Prospectus, there is no relationship of our promoters with our Directors of the company.

### ***Details of Companies / Firms from which our Promoters have disassociated***

Except for the following, our Promoter has not disassociated himself from any other company or firm in the three years preceding the date of this Draft Prospectus:

<b>Sr. No.</b>	<b>Name of the entity</b>	<b>Date of Disassociation</b>	<b>Reason</b>
1.	Mystery Towers Private Limited	September 28, 2021	Sale of Shareholding
2.	Magnolia Buildcon Private Limited	September 28, 2021	Sale of Shareholding
3.	Pythus Commercial Limited	September 28, 2021	Sale of Shareholding
4.	BDMV Global Ventures Private Limited	December 31, 2021	Sale of shareholding

## **CHANGE IN CONTROL OF OUR COMPANY**

There has been no change in the control of our Company in last 5 years. For further details refer to Chapter “Capital Structure” on page 53 of this Draft Prospectus.

## **INTEREST OF OUR PROMOTERS**

### ***Interest as promoter of our Company***

Our Promoters are interested in our Company to the extent it has promoted our Company. For details of the shareholding of our Promoters in our Company, please refer to the chapter titled “Capital Structure”, and “Restated Financial Statement - Related Party Transactions” beginning on page 53, and respectively of this Draft Prospectus.

### ***Interest of Promoters in our Company other than as a Promoter***

Our Promoters do not have any interest in our Company other than as a Promoter.

### ***Interest in the properties of our Company***

Our Promoters are not interested in the properties acquired by our Company in the three years preceding the date of filing of this Draft Prospectus with SEBI or proposed to be acquired by our Company, or in any transaction by our Company for the acquisition of land, construction of building or supply of machinery.

### ***Interest in transactions involving acquisition of land***

Our Promoters do not have any interested in any property or in any transaction involving acquisition of land, construction of building or supply of any machinery by our Company.

### **Interest as a creditor of Our Company**

Our Company has not availed any loans from the Promoters of our Company as on the date of this Draft Prospectus.

### **Interest as members of our Company**

Our Promoters are interested to the extent of their shareholding, the dividend declared in relation to such shareholding, if any, by our Company. For further details in this regard, please refer chapter titled “*Capital Structure*” beginning on page no. 53 of this Draft Prospectus.

Our Company has neither made any payments in cash or otherwise to our Promoters or to firms or companies in which our Promoters is interested as Members, Directors or Promoters nor have our Promoters been offered any inducements to become Directors or otherwise to become interested in any firm or company, in connection with the promotion or formation of our Company otherwise than as stated ‘*Details of Related Party Transaction*’ on page no. 134 of the chapter titled ‘*Financial Statements*’ beginning on page no. 148 of this Draft Prospectus and “*Our Group Companies*” beginning on page no. 129 of this Draft Prospectus.

### **Other Ventures of our Promoters of Our Company**

Except as disclosed in the chapter titled ‘*Our Promoters*’ and ‘*Our Group Companies*’ beginning on page no. 124 and 129 respectively of this Draft Prospectus, there are no other ventures of our Promoters in which they have any other business interests and/ or other interests.

### **Payment or Benefit to Promoters of Our Company**

Save and except as stated otherwise in ‘*Details of Related Party Transactions*’ in the chapter titled ‘*Restated Financial Statement*’ on page no. 134 of this Draft Prospectus, no payment has been made or benefit given or is intended to be given to our Promoters in the three (3) years preceding the date of this Draft Prospectus.

### **Related Party Transactions**

For details of related party transactions entered into by our Promoters, members of our Promoter Group and our Company, please refer to ‘*Details of Related Party Transactions*’ on page no. 134 of the chapter titled ‘*Restated Financial Statement*’ beginning on page no.134 of this Draft Prospectus.

### **Guarantees**

Our Promoters have not given any personal guarantees. For details, please refer to ‘*Statement of Financial Indebtedness*’ on page no. 169 of the chapter titled ‘*Restated Financial Statement*’ beginning on page no. 134 of this Draft Prospectus.

Except as stated in the ‘*Statement of Financial Indebtedness*’ on page no. 192 of the chapter titled ‘*Financial Statement*’ beginning on page no. 148 of this Draft Prospectus, respectively, 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 Prospectus.

## **OTHER INTEREST AND DISCLOSURES**

Except as stated in this section and the chapters titled “*Restated Financial Statement - Related Party Transactions*” on pages 134, our Promoters does not have any interest in our Company other than as a Promoter.

Our Promoters are not interested in any transaction in acquisition of land or property, construction of building and supply of machinery, or any other contract, agreement or arrangement entered into by the Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

## **LITIGATIONS INVOLVING OUR PROMOTERS**

For details of legal and regulatory proceedings involving our Promoters, please refer the chapter titled “*Outstanding Litigation and Material Development*” on Page no. 180 of this Draft Prospectus.

## **GUARANTEES**

Our Promoters have not given any personal guarantees as of the date of filing of this Draft Prospectus.

### **A. OUR PROMOTER GROUP**

In addition to our Promoters, the following individuals and entities form part of our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations:

#### **Individuals forming part of the Promoter Group:**

<b>Name of the Promoter</b>	<b>Name of the Relative</b>	<b>Relationship with the Promoter</b>
<b>Pravin Kumar Brijendra Kumar Agarwal</b>	Late Brijendra Kumar Agarwal	Father



Name of the Promoter	Name of the Relative	Relationship with the Promoter
	Late Urmila Devi	Mother
	Jyotsna Agarwal	Spouse
	Manav Agarwal	Son
	Anjali Agarwal	Daughter
	Sudhir Kumar Agarwal	Brother
	Alok Agarwal	Brother
	Madhubala Agarwal	Sister
	Late Ram Gopal Goel	Spouse's Father
	Vrinda Goel	Spouse's Mother
	Roshna Garg	Spouse's Sister
	Vikas Goyal	Spouse's Brother

**Entities forming part of the Promoter Group:**

As per Regulation 2(1)(pp)(iv) of the SEBI (ICDR) Regulations, 2018, the following Companies/Trusts/Partnership firms/HUFs or Sole Proprietorships are forming part of our Promoter Group.

**Companies:**

Sr. No.	Name of Companies
1.	Aroma Coffees Private Limited
2.	Artemis Electricals and Projects Limited
3.	Artemis Greenpower Private Limited
4.	Deepa Travel Private Limited
5.	Electroplast India Private Limited*
6.	Eternal Infra Private Limited
7.	Floral Colours and Stationery Private Limited*
8.	Frontier Suppliers Private Limited
9.	Garuda Amusement Park (Nagpur) Private Limited
10.	Garuda Aviation Services Private Limited
11.	Garuda Buildinfra Private Limited
12.	Garuda Construction and Engineering Private Limited
13.	Garuda Consumer Ventures Limited
14.	Garuda Finsec Advisory Private Limited (Formerly Dforce Electro Werke Private Limited)
15.	Garuda Lifestyle Private Limited
16.	Garuda Rainbow Private Limited
17.	Garuda Sports Venture Private Limited
18.	Garuda Telefilms Private Limited
19.	Garuda Toll Roads Private Limited (Formerly Known as P.K. EXPLORATIONS AND MINES PRIVATE LIMITED and PK Sand and Mineral Pvt Ltd)
20.	Garuda Urban Remedies limited
21.	GC Leisure Private Limited
22.	Gls Electrovision Private Limited
23.	Golden Chariot Hospitality Services Private Limited
24.	Golden Chariot Organics Pharma (India) Private Limited
25.	Golden Chariot Retreats And Infra Private Limited
26.	Halaipani Hydro Project Private Limited
27.	Herriot Global Lifestyle Private Limited
28.	Makindian Township Private Limited (Formerly known as Makindian Foods Private Limited )
29.	Narrow Structures Private Limited
30.	NS Patil Developers Private Limited
31.	P. K. Global Amusement Park Limited
32.	PK Global Logistics (India) Private Limited
33.	PK Global Trends Private Limited

<b>Sr. No.</b>	<b>Name of Companies</b>
34.	PK Sports Ventures Private Limited
35.	PKH Hotel And Resorts Private Limited
36.	PKH MP Convention Centre Private Limited
37.	PKH Ventures Limited
38.	Poonam Anjali Ventures Private Limited
39.	Saraswati Comtech Private Limited
40.	Seashell Venture Private Limited
41.	Vinayak Cement Corporation Limited
42.	Vriti Infrastructure Private Limited
43.	Waive Premises Private Limited
44.	Yajurved Education Private Limited
45.	Yashvikram Infrastructure Private Limited*

\*By way of a family settlement in March 15, 2017, between the families of our Individual Promoter, Pravin Kumar Agarwal and his brothers, Sudhir Kumar Agarwal and Alok Kumar Agarwal, our Individual Promoter took full control and management of our group and its businesses pursuant to this separation. However, for the purpose of information of these companies belonging to Sudhir Kumar Agarwal and Alok Kumar Agarwal, appearing in our Promoter Group companies/Group Companies, we are relying on data available in public domain

***Firms:***

<b>Sr. No.</b>	<b>Name of Promoter Group Entities</b>
1.	Pravin Kumar Agarwal HUF
2.	Wish Hair & Spa
3.	Wish Beauty Parlour

## OUR GROUP COMPANIES

The definition of “Group Companies/Entities” pursuant to the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, to include companies with which there were related party transactions, during the period for which financial information is disclosed in the Draft Prospectus, as covered under the applicable accounting standards and such Company forms part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations; and Companies who entered into one or more transactions with such Company in preceding fiscal or audit period, as the case may be, exceeding 10% of the total revenue of the Company. Pursuant to a Board resolution dated March 31, 2023 our Board has identified companies/entities with which there were related party transactions, during the period for which financial information is disclosed and formulated a policy to identify other companies which are considered material to be identified as group companies/entities, pursuant to which the following entities are identified as Group Companies/Entities of our Company.

Sr. No.	Group Company	Registered Office
1	Ayesspea Holdings and Investments Private Limited	142, Garuda House, Upper Govind Nagar, Malad (East) Mumbai 400 097, Maharashtra, India.
2	PKH Ventures Limited	201, A Wing, Fortune 2000, C-3, G Block Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India
3	Garuda Aviation Services Private Limited	Garuda House, Upper Govind Nagar Malad (East), Mumbai 400 097 Maharashtra, India.
4	Makindian Township Private Limited (Formerly known as Makindian Foods Private Limited)	142, Garuda House, Upper Govind Nagar, Malad (East) Mumbai 400 097, Maharashtra, India.
5	Garuda Construction and Engineering Private Limited	Garuda House, Upper Govind Nagar Malad (East), Mumbai 400 097 Maharashtra, India.
6	Aroma Coffees Private Limited	142, Garuda House, Upper Govind Nagar, Malad (East) Mumbai 400 097, Maharashtra, India.
7	Electroplast (India) Private Limited	1, Atlanta Estate, Ground Floor, Near Virwani Estate, Goregaon (East), Mumbai 400 063, Maharashtra, India.
8	Gallic Electro Technologies Private Limited	Bldg No 1, Survey No 39, Hiss No 5, Waliv, Vasai (East) Palghar-401208, Maharashtra, India.
9	Artemis Electricals and Projects Limited	Artemis Complex, Gala no. 105 & 108, National Express Highway, Vasai (East), Palghar 401 208, Maharashtra, India.
10	Golden Chariot Hospitality Service Private Limited	Shop no 23, The Hub Mall, Western Express Highway, Next to Nirlon, Goregaon (East), Mumbai 400 063, Maharashtra, India.

### DETAILS OF OUR GROUP COMPANY

#### 1. ARTEMIS ELECTRICALS AND PROJECTS LIMITED

The registered office of Artemis Electricals and Projects Limited is situated at Artemis Complex, Gala no. 105 & 108, National Express Highway, Vasai (East), Palghar 401 208, Maharashtra, India.

#### Financial information

Information with respect to reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the audited standalone financial statements of Artemis Electricals and Projects Limited for the last three financial years are available on the website of the Company for last three financial years at <https://www.artemiselectricals.com/annual-reports.html>

#### Emphasis of matter in audit report

- a) The Company has entered into a contract to supply and commission a Lithium -ion battery plant at its factory situated at Artemis Complex, Gala no. 105 & 108, National Express Highway, Vasai (E), Palghar-401 208 with its related party “Electro Force (India) Pvt. Ltd. Approval for such transaction has already been obtained from the shareholders of the Company in its annual general meeting held on 24 September 2021. The Company has already made payment around 70-75% of the contract to EIPL till June 30, 2023 which is reflecting in

Capital work in progress and other non current assets as Capital advances. The management envisages commissioning of the Lithium -ion battery plant by March 2024.

- b) Disclosure under Ind AS 108-‘Operating segments’ could not be provided as sufficient information relating to the same was not available with the management. Further the Company conducts its business in only one Geographical segment, viz.,India
- c) The manufacturing activities at the factory premises were closed/negligible. However the management represented that the manufacturing activities have commenced at minimal/negligible level as the management is focusing more on projects and project related works.
- d) The Company has communicated to the suppliers related to categorization of MSME parties, on the basis of information available with the Company, the Company has classified outstanding dues of Micro and small enterprises and outstanding dues of creditors other than Micro and Small enterprises. Further the Company has not provided the interest on the same as reconciliation and settlement was pending with the parties. Adjustments required upon such reconciliations and confirmation, if any, are not ascertainable and hence interest has not been provided for.

For further details please refer the financial results for the quarter ended June 2023 in the stock exchange website and website of the Company.

### Share price information

The equity shares of Artemis Electricals and Projects Limited is currently listed on BSE Limited. The highest and the lowest market price of the equity shares of Artemis Electricals and Projects Limited during the six months immediately preceding the date of this Draft Prospectus is as follows:

Month	BSE	
	High (in Rs.)	Low (in Rs.)
August 2023	19.90	13.47
July 2023	17.14	14.17
June 2023	17.48	12.47
May 2023	18.75	12.94
April 2023	18.75	13.82
March 2023	132.10	13.50

## 2. GARUDA CONSTRUCTION AND ENGINEERING PRIVATE LIMITED

The registered office of Garuda Construction and Engineering Private Limited is situated at Garuda House, Upper Govind Nagar Malad (East), Mumbai 400 097 Maharashtra, India.

### Financial information

Information with respect to reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the audited standalone financial statements of Garuda Construction And Engineering Private Limited for the last three financial years are available on the website of the Group Company for last three financial years at [http://electroforceindia.com/financial\\_report.html](http://electroforceindia.com/financial_report.html)

## 3. PKH VENTURES LIMITED

The registered office of PKH Ventures Limited is situated at 201, A Wing, Fortune 2000, C-3, G Block Bandra Kurla Complex, Bandra (East), Mumbai 400 051, Maharashtra, India

### Financial information

Information with respect to reserves (excluding revaluation reserves), sales, profit after tax, earnings per share, diluted earnings per share and net asset value, derived from the audited standalone financial statements of Artemis Electricals and Projects Limited for the last three financial years are available on the website of the Company for last three financial years at [http://electroforceindia.com/financial\\_report.html](http://electroforceindia.com/financial_report.html)

## 4. ELECTROPLAST INDIA PRIVATE LIMITED

The registered office of Electroplast India Private Limited is situated at 1, Atlanta Estate, Ground Floor, Near Virwani Estate, Goregaon (East), Mumbai 400 063, Maharashtra, India.

### Financial information

In accordance with SEBI ICDR Regulations, certain financial information pertaining to (i) the details of reserves (excluding revaluation reserves), (ii) sales; (iii) profit/loss) after tax; (iv) earnings per share; (v)

diluted earnings per shares; and (vi) net asset value in relation to Electroplast India Private Limited for the last three financial years, extracted from its audited financial statements (as applicable) is available at the website [http://electroforceindia.com/financial\\_report.html](http://electroforceindia.com/financial_report.html). This information is referred to as the “Group Company Financial Information”. Our Group Company is providing a link to such website solely to comply with the requirements specified under the SEBI ICDR Regulations.

## **5. GOLDEN CHARIOT HOSPITALITY SERVICES PRIVATE LIMITED**

The registered office of Golden Chariot Hospitality Services Private Limited is situated at Shop no 23, The Hub Mall, Western Express Highway, Next to Nirlon, Goregaon (East), Mumbai 400 063, Maharashtra, India.

### **Financial information**

In accordance with SEBI ICDR Regulations, certain financial information pertaining to (i) the details of reserves (excluding revaluation reserves), (ii) sales; (iii) profit/loss) after tax; (iv) earnings per share; (v) diluted earnings per shares; and (vi) net asset value in relation to Golden Chariot Hospitality Private Limited for the last three financial years, extracted from its audited financial statements (as applicable) is available at the website [http://electroforceindia.com/financial\\_report.html](http://electroforceindia.com/financial_report.html). This information is referred to as the “Group Company Financial Information”. Our Company is providing a link to such website solely to comply with the requirements specified under the SEBI ICDR Regulations.

### **Nature and extent of interests of our Group Companies**

As on the date of this Draft Prospectus, our Group Companies does not have any interest in the promotion or formation of our Company. Our Group Companies do not have any interest in any property acquired by our Company in the three years preceding the date of filing this Draft Prospectus or proposed to be acquired by it as on the date of this Draft Prospectus.

Our Group Companies do not have an interest in any transaction by our Company pertaining to acquisition of land, construction of building and supply of machinery.

Except as disclosed in “*Details of Related Party Transactions*” on page no 128, our Group Companies do not have any business interest in our Company.

### **Related Business Transactions**

Except as set forth in “*Details of Related Party Transactions*” on page no. 128, no other related business transactions have been entered into between our Group Companies and our Company.

### **Common pursuits**

None of our Group Companies are engaged to a limited extent, in a similar line of business as ours, and to this limited extent, there may be common pursuits between our Company and such Group Companies. For further details, see “*Risk Factors*” on page 26.

### **Litigation**

There is no outstanding litigation against our Promoter except as disclosed in the section titled “*Risk Factors*” and chapter titled “*Outstanding Litigation and Material Developments*” beginning at Page No. 21 and 180 of this Draft Prospectus.

### **Confirmations**

Except for Artemis Electricals and Projects Limited, listed on BSE Limited, none of our Group Companies have any securities listed on any other stock exchange. Further, none of our Group Companies have made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Draft Prospectus.

## **RELATED PARTY TRANSACTIONS**

For details on Related Party Transactions of our Company, please refer to 'Note 25: Statement of Related Parties' Transactions' on page no. [•] of the chapter titled 'Restated Financial Statements' beginning on page no. 134 of this Draft Prospectus.

## DIVIDEND POLICY

The declaration and payment of dividends, if any, will be recommended by the Board of Directors and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited, consolidated net operating profit after tax, working capital requirements, capital expenditure requirements, cashflow required to meet contingencies, outstanding borrowings, and applicable taxes including dividend distribution tax payable by our Company. In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. As on the date of this Draft Prospectus, our Company does not have a formal dividend policy.

Upon the listing of the Equity Shares of our Company and subject to the SEBI Listing Regulations, we may be required to formulate a dividend distribution policy which shall be required to include, among others, details of circumstances under which the shareholders may or may not expect dividend, the financial parameters that shall be considered while declaring dividend, internal and external factors that shall be considered for declaration of dividend, policy as to how the retained earnings will be utilized and parameters that shall be adopted with regard to various classes of shares, as applicable.

Our Company has not declared any dividends during the last three Financial Years. Further, our Company has not declared any dividend in the current Fiscal. There is no guarantee that any dividends will be declared or paid. For details in relation to the risk involved, see “*Risk Factor*” on page 21 of this Draft Prospectus.

## SECTION VI – FINANCIAL INFORMATION

### RESTATED FINANCIAL STATEMENT

#### Independent Auditor’s Report on Restated Financial Statements

To,  
The Board of Directors,  
Electro Force (India) Limited  
(Formerly Known as Electro Force (India) Private Limited)  
39/5, Village - Waliv,  
Taluka - Vasai East, District - Palghar,  
Maharashtra – 401 208, India

#### **Auditors’ Report on Restated Financial Information in connection with the Initial Public Offering of Electro Force (India) Limited (Formerly Known as Electro Force (India) Private Limited)**

Dear Sirs,

1. This report is issued in accordance with the terms of our agreement dated August 25, 2023.
2. The accompanying restated financial information, expressed in Indian Rupees, of **Electro Force (India) Limited** (Formerly Known as Electro Force (India) Private Limited) (hereinafter referred to as the “Company”), comprising Financial Information in paragraph A below and Other Financial Information in paragraph B below (hereinafter together referred to as “Restated Financial Information”), has been prepared by the Management of the Company in accordance with the requirements of section 26 and Section 32 of the Companies Act, 2013 (hereinafter referred to as the “Act”) read with Rule 4 to Rule 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 (the “Rules”) and item (IX) of Part A of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date on September 11, 2018 issued by the Securities and Exchange Board of India (the “SEBI”) in connection with the Proposed Initial Public Offering of Equity Shares of the Company (the “Issue”) read with the Guidance Note on Reports in Company Prospectus (Revised 2019) issued by the Institute of Chartered Accountants of India (“Guidance Note 2019”) and has been approved by the Board of Directors and initialed by us for identification purposes only. For the purposes of our examination, we have placed reliance on the audited financial statement for the years ended March 31, 2022 and March 31, 2021 (all of which were expressed in Indian Rupees), on which previous auditor have expressed unmodified audit opinions vide our reports dated September 05, 2022 and November 23, 2021 respectively.

#### **Management’s Responsibility for the Restated Financial Information**

3. The preparation of the Restated Financial Information, which is to be included in the Offer Document, is the responsibility of the Management of the Company and has been approved by the Board of Directors, at its meeting held on **April 25, 2022** for the purpose set out in paragraph 13 below. The Management’s responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Restated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

#### **Auditors’ Responsibilities**

4. Our work has been carried out in accordance with the Standards on Auditing under section 143(10) of the Act, (Revised) Guidance Note on Reports in Company Prospectuses and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India and pursuant to the requirements of section 26 and Section 32 of the Act read with applicable provisions within Rule 4 to Rule 6 of the Rules and the SEBI Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the SEBI Regulations in connection with the Issue.

#### **A. Financial Information as per audited financial statements:**

5. We have examined the following summarized financial statements of the Company contained in Financial Information of the Company:



- a) the “Restated Statement of Assets and Liabilities ” as at March 31, 2023, 2022 and 2021 (enclosed as Annexure I);
  - b) the “Restated Statement of Profit and Loss” for the years ended March 31, 2023, 2022 and 2021 (enclosed as Annexure II) and
  - c) the “Restated Statement of Cash Flows” for the years ended March 31, 2023, 2022 and 2021 (enclosed as Annexure III).
6. The Restated Financial Information, expressed in Indian Rupees, has been derived from the audited financial statement as at March 31, 2023, 2022 and 2021, all of which expressed in Indian Rupees and for the years ended March 31, 2023, March 31, 2022, and March 31, 2021, all of which expressed in India Rupees.
7. We draw your attention to the following:
- a) the Restated Financial Information should be read in conjunction with the basis of preparation and significant accounting policies given in Annexure IV (as described in paragraph 9 below);
  - b) the Restated Financial Information does not contain all the disclosures required by the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
8. We have not audited any financial statements of the Company as of any date or for any period subsequent to March 31, 2023. Accordingly, we do not express any opinion on the financial position, results of operations or cash flows of the Company as of any date or for any period subsequent to March 31, 2023.

**B. Other Financial Information:**

9. At the Company’s request, we have also examined the following Other Financial Information relating to the Company as at March 31, 2023, 2022 and 2021 and for the years ended March 31, 2023, March 31, 2022, and March 31, 2021 proposed to be included in the offer document, prepared by the Management of the Company and as approved by the Board of Directors of the Company and annexed to this report:
- a) Basis of preparation and Significant Accounting Policies as enclosed in Annexure IV
  - b) Notes to the Restated Financial Information as enclosed in Annexure V
  - c) Restated Statement of Reserves & Surplus as enclosed in Annexure VI
  - d) Restated Statement of Secured Borrowings as enclosed in Annexure VII
  - e) Restated Statement of Unsecured Borrowings as enclosed in Annexure VIII
  - f) Restated Statement of Current Liabilities & Provisions as enclosed in Annexure IX
  - g) Restated Statement of Trade Receivables as enclosed in Annexure X
  - h) Restated Statement of Long Term Loans and Advances as enclosed in Annexure XI
  - i) Restated Statement of Short Term Loans and Advances as enclosed in Annexure XII
  - j) Restated Statement of Other Income as enclosed in Annexure XIII
  - k) Restated Statement of Accounting Ratios as enclosed in Annexure XIV
  - l) Restated Statement of Capitalisation as enclosed in Annexure XV
  - m) Restated Statement of Tax Shelter as enclosed in Annexure XVI
  - n) Reconciliation Of Restatement Adjustments Annexure XVII
10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

**Opinion**

11. In our opinion:
- a) the Restated Financial Information of the Company, as attached to this report and as mentioned in paragraphs A and B above, read with basis of preparation and respective significant accounting policies have been prepared in accordance with the Act, Rules, and the SEBI Regulations;

- b) there have been no changes in accounting policies of the Company (as disclosed in Annexure IV to this report);
  - c) there are no qualifications in the Auditors' Report which require any adjustments; and
  - d) there are no extra-ordinary items which needs to be disclosed separately.
12. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us on the financial statements of the Company.

**Restriction on Use**

13. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the offer document, prepared in connection with the proposed Initial Public Offering of Equity Shares of the Company, to be filed by the Company with the SEBI, Registrar of Companies, Mumbai and the concerned Stock Exchanges.

**For Mittal Agarwal & Company**  
**Chartered Accountants**  
**(Firm's Registration No. – 131025W)**

**Deepesh Mittal**  
**(Partner)**  
**(M. No. 539486)**  
**(UDIN - 23539486BGVOJF7080)**

**Place: Mumbai**  
**Date: September 07, 2023**

**Annexure I - Restated Statement of Assets and Liabilities of Electro Force (India) Limited  
(Formerly Known as Electro Force (India) Private Limited)**

( ₹ in lakhs)

Particulars	Notes / Annexures	As at		
		March 31, 2023	March 31, 2022	March 31, 2021
<b>Equity and Liabilities</b>				
Shareholders' Funds				
Share Capital	Annexure V, Note 1	1,740.00	500.00	500.00
Reserve & Surplus	Annexure V, Note 2	95.33	535.73	-328.53
<b>Non Current Liabilities</b>				
Long Term Borrowings	Annexure V, Note 3	-	878.26	586.53
Provisions	Annexure V, Note 4	10.63	9.39	10.25
<b>Current Liabilities</b>				
Trade Payables	Annexure V, Note 5			
Micro and Small Enterprises		153.17	231.35	323.01
Other than Micro and Small Enterprises		236.87	200.37	71.73
Other Current Liabilities	Annexure V, Note 6	4,674.95	2,201.14	526.25
Provisions	Annexure V, Note 4	320.55	227.15	30.71
<b>Total</b>		<b>7,231.51</b>	<b>4,783.37</b>	<b>1,719.96</b>
<b>Assets</b>				
<b>Property, Plant and Equipment and Intangible Assets:</b>				
Property, Plant and Equipment	Annexure V, Note 7	302.96	335.92	732.18
Intangible Assets	Annexure V, Note 7	5.05	5.05	5.05
Long Term Loans & Advances	Annexure V, Note 8	17.19	17.19	16.85
Deferred Tax Assets	Annexure V, Note 9	47.20	42.57	3.48
<b>Current Assets</b>				
Inventories	Annexure V, Note 10	1,270.21	204.24	208.39
Trade Receivables	Annexure V, Note 11	667.35	395.75	559.45
Cash and Bank Balances	Annexure V, Note 12	93.69	1,028.52	63.16
Short Term Loans & Advances	Annexure V, Note 13	4,827.86	2,754.14	131.40
<b>Total</b>		<b>7,231.51</b>	<b>4,783.37</b>	<b>1,719.96</b>

The above statement should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V.

**Annexure II - Restated Statement of Profit and Loss of Electro Force (India) Limited  
(Formerly Known as Electro Force (India) Private Limited)**

( ` in lakhs)

Particulars	Notes / Annexures	For the period ended		
		March 31, 2023	March 31, 2022	March 31, 2021
<b>Income</b>				
Revenue from Operations	Annexure V, Note 14	3,025.04	3,439.65	1,574.28
Other Income	Annexure V, Note 15	3.78	3.90	12.85
<b>Total</b>		<b>3,028.81</b>	<b>3,443.55</b>	<b>1,587.13</b>
<b>Expenditure</b>				
Cost of Material Consumed	Annexure V, Note 16	2,558.31	2,006.87	1,197.25
Changes in Inventories of Finished Goods	Annexure V, Note 17	(998.70)	(0.17)	261.68
Employee Benefit Expenses	Annexure V, Note 18	108.41	123.53	122.57
Finance Costs	Annexure V, Note 19	0.23	1.40	6.19
Depreciation and Amortisation Expense	Annexure V, Note 20	69.84	83.69	79.20
Other Expenses	Annexure V, Note 21	222.19	168.78	147.42
<b>Total</b>		<b>1,960.28</b>	<b>2,384.09</b>	<b>1,814.30</b>
<b>Profit before Tax and exceptional items</b>		<b>1,068.53</b>	<b>1,059.46</b>	<b>-</b>
Exceptional Items		-	-	-
<b>Net Profit before Tax</b>		<b>1,068.53</b>	<b>1,059.46</b>	<b>-</b>
<b>Less: Provision for Taxes</b>				
Current Tax		273.56	234.29	-
Deferred Tax		(4.63)	(39.09)	(3.48)
<b>Net Profit After Tax &amp; Before Extraordinary Items</b>		<b>799.60</b>	<b>864.26</b>	<b>(223.69)</b>
Extra Ordinary Items		-	-	-
<b>Net Profit after Tax</b>		<b>799.60</b>	<b>864.26</b>	<b>(223.69)</b>

The above statement should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V and Statement of Adjustments to Audited Financial Statements appearing in Annexure VI.

**Annexure III - Restated Statement of Cash Flows of Electro Force (India) Limited  
(Formerly Known as Electro Force (India) Private Limited)**

( ` in lakhs)

Particulars	For the period ended		
	March 31, 2023	March 31, 2022	March 31, 2021
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net profit before taxes	1,068.53	1,059.46	(227.17)
<b>Adjustment for:</b>			
Add: Depreciation	69.84	83.69	79.20
Add: Interest & Finance Charges	(3.72)	1.40	6.19
Less: Interest Income	0.23	(3.90)	(5.35)
<b>Operating Profit before Working capital changes</b>	<b>1,134.88</b>	<b>1,140.65</b>	<b>(147.13)</b>
<b>Adjustments for:</b>			
Decrease (Increase) in Trade & Other Receivables	(271.59)	163.70	(159.63)
Decrease (Increase) in Short Term Loans & Advances	(2,074.85)	(2,649.46)	55.08
Decrease (Increase) in Inventories of Finished Goods, Stock-in-Trade & Scrap	(1,065.98)	4.15	304.77
Increase (Decrease) in Trade Payables	(41.67)	36.97	173.55
Increase (Decrease) in Other Current Liabilities	2,474.94	1,673.76	65.31
Increase (Decrease) in Short Term Provisions (Excluding Provision for Taxes)	48.13	(10.87)	10.81
<b>Net Changes in Working Capital</b>	<b>(950.19)</b>	<b>(781.76)</b>	<b>449.91</b>
<b>Cash Generated from Operations</b>	<b>184.68</b>	<b>358.89</b>	<b>302.77</b>
Less: Taxes	(207.86)	-	-
<b>Net Cash Flow from Operating Activities (A)</b>	<b>(23.18)</b>	<b>358.89</b>	<b>302.77</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Sale / (Purchase) of Fixed Assets	(36.88)	312.57	(371.99)
Interest Income	3.72	3.90	5.35
Decrease (Increase) in Long Term Loans & Advances	-	(0.34)	(0.38)
<b>Net Cash Flow from Investing Activities (B)</b>	<b>(33.16)</b>	<b>316.13</b>	<b>(367.01)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Interest & Finance Charges	(0.23)	(1.40)	(6.19)
Increase / (Repayment) of Long Term Borrowings	(878.26)	291.73	49.51
<b>Net Cash Flow from Financing Activities (C)</b>	<b>(878.48)</b>	<b>290.33</b>	<b>43.32</b>
Net Increase / (Decrease) in Cash and Cash Equivalents	(934.82)	965.36	(20.92)
Cash and cash equivalents at the beginning of the year / Period	1,028.51	63.16	84.08

<b>Cash and cash equivalents at the end of the year/ Period</b>	<b>93.69</b>	<b>1,028.51</b>	<b>63.16</b>
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Notes:

1)The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on Cash Flow Statements.

2)The above statement should be read with the Basis of Preparation and Significant Accounting Policies, appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V and Statement of Adjustments to Audited Financial Statements appearing in Annexure VI.

**Annexure IV - Basis of Preparation and Significant Accounting Policies**  
**Notes on Financial Statements for the period ended March 31, 2023**  
**Summary of significant Accounting Policies and Practices**

**A Basis of Preparation**

- . The Restated Statement of Assets and Liabilities of the Electro Force (India) Limited (Formerly Known as Electro Force (India) Private Limited) as at 31st March 2023 and 31st March 2022 and 2021 and the Restated Statement of Profit and Loss and the Restated Statement of Cash flows, for the years ended 31st March 2023, 2022 and 2021 (together referred as Financial and Other Financial Information have been extracted by the Management from the Audited Financial Statements of the Company for the respective years ("Audited Financial Statements").

The Audited Financial Statements for the years ended 31st January 2022 of the Company have been prepared to comply in all material respect with the generally applicable accounting principles in India under the historical cost convention on accrual basis, the applicable accounting standards under Section 211 (3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956.

The Restated Financial Information and Other Financial Information have been prepared by the management in connection with the proposed listing of equity shares of the Company with BSE Limited and National Stock Exchange of India Limited (together 'the stock exchange'), in accordance with the requirements of:

a) Section 26 read with applicable provisions within Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 to the Companies Act, 2013; and

(b) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended from time to time read along with the SEBI circular

SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 (together referred to as the "SEBI Regulations").

These Restated Financial Information and Other Financial Information have been extracted by the Management from the Audited Financial Statements and :- there were no audit qualifications on these financial statements, - there were no changes in accounting policies during the years of these financial statements, - material amounts relating to adjustments for previous years in arriving at profit/loss of the years to which they relate, have been appropriately adjusted, - adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the Audited Consolidated Financial Statements of the Company as at and for the year ended March 31, 2016 and the requirements of the SEBI Regulations, and - the resultant tax impact on above adjustments has been appropriately adjusted in deferred tax in the respective years and the impact of current tax in respect of short/excess income tax arising out of assessments, appeals, revised income tax returns, etc., has been adjusted in the current tax of respective years to which they relate.

All assets and liabilities have been classified as current or non-current as per the normal operating cycle and other prescribed criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services rendered and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities. These Restated Financial Information and Other Financial Information were approved by the Board of Directors of the Company on September 07, 2023.

**B Use Of Estimates**

- . The preparation and presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosures of contingent liabilities as on date of the financial statements and reported amount of revenue and expenses during the reporting period. Difference between the actual results and estimates is recognized in the period in which the results are known / materialized.

**C Tangible Assets**

- . Tangible assets are stated at cost less accumulated depreciation and net of impairment, if any. Pre-operation expenses including trial run expenses (net of revenue) are capitalised. Borrowing costs during the period of construction is added to the cost of eligible tangible assets.

**D Intangible Assets**

- . Intangible assets are stated at cost less accumulated amortisation and net of impairments, if any. An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and its cost can be measured reliably. Intangible assets having finite useful lives are amortised on a straight-line basis over their estimated useful lives.

**E Depreciation And Amortisation**

**Tangible Assets**

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written Down Value (WDV) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

## **F Impairment**

- . An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

## **G Borrowing Costs**

- . Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Profit and Loss Statement in the period in which they are incurred.

## **H Employee Benefits**

### **(i) Short term employee benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are charged off to the Profit and Loss Account.

### **(ii) Defined Contribution Plans:**

Contributions to defined contribution schemes such as provident fund are charged off to the Profit and Loss Account during the year in which the employee renders the related service.

### **(iii) Defined Benefit Plans:**

The present value of the obligation under such plan is determined based on an actuarial valuation using the Projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognised immediately in the Profit and Loss Account. Termination benefits are recognised as and when incurred.

### **(iv) Other Long Term Benefits:**

Leave encashment is payable to eligible employees who have earned leaves, during the employment and / or on separation as per the Company's policy.

## **I Income Taxes**

- . Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realize the same.  
Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

## **J Inventories**

- . Items of inventories are measured at lower of cost or net realizable value after providing for obsolescence, if any. Cost of inventories comprises cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw materials, stores and spares, packing materials and other products are determined on weighted average basis.

## **K Revenue Recognition**

- . Revenue from sale of goods is recognised net of rebates and discounts on transfer of significant risks and rewards of ownership to the buyer. Sale of goods is recognised net of sales tax and value added tax. Interest income is recognised on a time proportion basis taking into account the amount outstanding and interest rate applicable.  
Dividend income is recognised when the right to receive payment is established.

## **L Investments**

- . Current investments are carried at lower of cost and quoted/fair value, computed category-wise. Non-Current investments are stated at cost. Provision for diminution in the value of Non- Current investments is made only if such a decline is other than temporary.

## **M Foreign Currency Transactions**

Transactions in foreign currency are recorded at the rate of exchange prevailing on the date of transaction. Year-end balance of foreign currency monetary item is translated at the year-end rates. Exchange differences arising on settlement of monetary items or on reporting of monetary items at rates different from those at which they were initially recorded during the period or reported in previous financial statements are recognised as income or expense in the period in which they arise.



## N Earnings Per Share

- Basic earnings per share (EPS) is calculated by dividing the net profit or loss after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by adjusting the number of shares used for basic EPS with the weighted average number of shares that could have been issued on the conversion of all dilutive potential equity shares. The weighted average number of equity shares and potential equity shares outstanding during the period and for all the period 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.

## O Provisions, Contingent Liabilities and Contingent Assets

- Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognised nor disclosed in the financial statements.

## P Cash and Cash Equivalents

- In the cash flow statement, cash and cash equivalents include cash in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less.

Annexure V - Notes to the Restated Financial Information			
(C in lakhs)			
Note 1 - Share Capital	As at		
	March 31, 2023	March 31, 2022	March 31, 2021
<b>Authorised Share Capital:</b>			
2,60,00,000 (March 31, 2022: 50,00,000 and March 31, 2021: 50,00,000 ) Equity Shares of ` 10 each	2,600.00	500.00	500.00
<b>Issued, Subscribed and Fully Paid up:</b>			
1,74,00,001 (March 31, 2022: 50,00,000 and March 31, 2021: 50,00,000 ) Equity Shares of ` 10 each	1,740.00	500.00	500.00
<b>Total</b>	1,740.00	500.00	500.00
*The members of the Company, at their Extra Ordinary General Meeting held on March 30th, 2023, approved the issue and allotment of 1,24,00,001 (One crore Twenty Four lakhs and One only) Equity Shares of ₹ 10 each credited as fully paid up to the equity shareholders in the proportion of 62 (Sixty Two) equity shares for every 25 (Twenty Five) equity shares held by them on record date i.e. March 28th, 2023 fully paid-up Equity Share held by them.			
<b>a) Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period:</b>			
	As at		
	March 31, 2023	March 31, 2022	March 31, 2021
	No. of Shares	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	50,00,000	50,00,000	50,00,000
Add: Bonus shares issued during the year	1,24,00,001	-	-
<b>Equity Shares at the end of the year</b>	1,74,00,001	50,00,000	50,00,000
<b>Rights, preferences and restrictions attached to equity shares:</b>			
The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.			
<b>b) Details of shareholders holding more than 5% of share capital in the Company as at the balance sheet date :</b>			
	As at		
	March 31, 2023	March 31, 2022	March 31, 2021
	No. of Shares	No. of Shares	No. of Shares
	% held	% held	% held
M/s. Ayesspea Holdings & Investments Private Limited	1,37,63,296	39,55,000	39,55,000

	79.10%	79.10%	79.10%
Garuda Television Private Limited	34,45,200	9,90,000	9,90,000
	19.80%	19.80%	19.80%
<b>Shares Held by Promoters and Promoter Group at the End of the Year:</b>			
Name of the Promoters	March 31, 2023	March 31, 2022	March 31, 2021
	No. of Shares	No. of Shares	No. of Shares
	% held	% held	% held
	% Change	% Change	% Change
M/s. Ayesspea Holdings & Investments Private Limited	1,37,63,296	39,55,000	39,55,000
	79.10%	79.10%	79.10%
	0.00%	0.00%	131.96%
Garuda Television Private Limited	34,45,200	9,90,000	9,90,000
	19.80%	19.80%	19.80%
	0.00%	0.00%	0.00%
<b>There are no bonus shares issued or shares issued for consideration other than cash or shares bought back during five years preceding March 31, 2023 by the Company except as stated below:</b>			
During the Financial Year ended		No. of Bonus Shares Issued by the Company	Face Value of Equity Shares
March 31st, 2023		1,24,00,001	10.00
March 31st, 2022		-	-
March 31st, 2021		-	-
March 31st, 2020		-	-
March 31st, 2019		-	-
Note 2 - Reserve and Surplus	As at		
	March 31, 2023	March 31, 2022	March 31, 2021
<b>Surplus in the Statement of Profit and Loss</b>			
As per last Balance Sheet	535.73	(328.53)	(94.29)
Less: Opening provision of Gratuity	-	-	(10.55)
Add: Profit for the year	799.60	864.26	(223.69)
Less: Issue of Bonus Shares	(1,240.00)	-	-
<b>Total</b>	95.33	535.73	(328.53)
Note 3 - Long Term Borrowings	As at		
	March 31, 2023	March 31, 2022	March 31, 2021
<b>Unsecured</b>			
From Related Parties (Refer note 28)	-	878.26	586.53
<b>Total</b>	-	878.26	586.53
Note 4 - Provisions	As at		
	March 31, 2023	March 31, 2022	March 31, 2021
<b>Long Term Provisions</b>			
Provision for Gratuity	10.63	9.39	10.25
<b>Total</b>	10.63	9.39	10.25

<b>Short Term Provisions</b>			
Provisions for employee benefits	9.51	9.01	20.20
Provision for Audit Fees	1.75	3.00	2.00
Expenses Payable	35.53	7.20	7.20
Provision for Gratuity	1.62	1.49	1.30
Provision for income tax (Net of advances and MAT credit)	272.14	206.45	-
<b>Total</b>	<b>320.55</b>	<b>227.15</b>	<b>30.71</b>
<b>Notes to Restated Financials</b>			
<b>Note 5 - Trade Payables</b>	<b>As at</b>		
	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
(Unsecured and considered good)			
Micro and Small Enterprises	153.17	231.35	323.01
Other than Micro and Small Enterprises	236.87	200.37	71.73
<b>Total</b>	<b>390.04</b>	<b>431.71</b>	<b>394.75</b>
The Company is in the process of identifying creditors covered under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 hence details relating thereto, if any, have not been disclosed.			
<b>Ageing of Trade Payables</b>	<b>As at</b>		
	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
<b>Micro Enterprises and Small Enterprises</b>			
Less than 1 Year	153.17	231.35	322.81
1 Year - 2 Years	236.87	200.37	-
2 Years - 3 Years	390.04	431.71	0.20
More than 3 Years	-	-	-
<b>Other than Micro Enterprises and Small Enterprises</b>			
Less than 1 Year	-	-	57.95
1 Year - 2 Years	-	-	13.42
2 Years - 3 Years	-	-	0.36
More than 3 Years	153.17	230.65	-
<b>Micro Enterprises and Small Enterprises - Disputed Dues</b>			
Less than 1 Year	-	-	-
1 Year - 2 Years	-	-	-
2 Years - 3 Years	-	-	-
More than 3 Years	-	-	-
<b>Other than Micro Enterprises and Small Enterprises - Disputed Dues</b>			
Less than 1 Year	-	-	-
1 Year - 2 Years	-	-	-
2 Years - 3 Years	-	-	-
More than 3 Years	-	-	-
	<b>933.26</b>	<b>1,094.07</b>	<b>394.75</b>
			(C in lakhs)
<b>Note 6 - Other Current Liabilities</b>	<b>As at</b>		

	March 31, 2023	March 31, 2022	March 31, 2021
Statutory Dues	1.63	124.94	0.69
Advances from customers	4,673.32	2,076.19	488.29
Current Account Over Drawn	-	-	37.27
<b>Total</b>	4,674.95	2,201.14	526.25
			(C in lakhs)
<b>Note 8 - Long Term Loans and Advances</b>	<b>As at</b>		
	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Unsecured and considered good (unless otherwise stated)			
Security deposits with others	17.19	17.19	16.85
Capital Advances	-	-	-
<b>Total</b>	17.19	17.19	16.85
			(C in lakhs)
<b>Note 9 - Deferred Tax Assets</b>	<b>As at</b>		
	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Opening	42.57	3.48	-
Related to fixed assets	4.63	37.82	3.05
Disallowances under the income Tax Act, 1961	-	1.26	0.44
	4.63	39.09	3.48
<b>Total</b>	<b>47.20</b>	<b>42.57</b>	<b>3.48</b>
			(C in lakhs)
<b>Note 10 - Inventories</b>	<b>As at</b>		
	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Raw materials	165.99	98.71	103.03
Stock in progress	976.23	15.45	18.77
Finished goods	113.80	78.13	66.65
Scrap	14.20	11.95	19.94
<b>Total</b>	1,270.21	204.24	208.39
Valuations of Inventories are as Valued and Certified by the Management.			
			(C in lakhs)
<b>Note 11 - Trade Receivables</b>	<b>As at</b>		
	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Unsecured and considered good (unless otherwise stated)			
Outstanding for a period exceeding six months	66.37	41.58	417.49
Others	600.98	354.17	141.96
<b>Total</b>	<b>667.35</b>	<b>395.75</b>	<b>559.45</b>
			(C in lakhs)
<b>Age of Receivable</b>	<b>As at</b>		

	March 31, 2023	March 31, 2022	March 31, 2021
<b>Undisputed Trade Receivables – Considered Good</b>			
Less than 6 months	600.98	354.17	141.96
6 Months - 1 Year	20.63	18.53	417.49
1 Year - 2 Years	2.24	23.06	-
2 Years - 3 Years	43.50	-	-
More than 3 Years	-	-	-
<b>Undisputed Trade Receivables – Considered Doubtful</b>			
Less than 6 months	-	-	-
6 Months - 1 Year	-	-	-
1 Year - 2 Years	-	-	-
2 Years - 3 Years	-	-	-
More than 3 Years	-	-	-
<b>Disputed Trade Receivables Considered Good</b>			
Less than 6 months	-	-	-
6 Months - 1 Year	-	-	-
1 Year - 2 Years	-	-	-
2 Years - 3 Years	-	-	-
More than 3 Years	-	-	-
<b>Disputed Trade Receivables Considered Doubtful</b>			
Less than 6 months	-	-	-
6 Months - 1 Year	-	-	-
1 Year - 2 Years	-	-	-
2 Years - 3 Years	-	-	-
More than 3 Years	-	-	-
<b>Total</b>	<b>667.35</b>	<b>395.75</b>	<b>559.45</b>
			(C in lakhs)
<b>Note 12 - Cash &amp; Cash Equivalents</b>	<b>As at</b>		
	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Cash on hand	0.01	0.15	0.39
Balances with banks:			
In current accounts	24.41	952.83	-
As Fixed Deposits	69.27	75.54	62.77
<b>Total</b>	<b>93.69</b>	<b>1,028.52</b>	<b>63.16</b>
			(C in lakhs)
<b>Note 13 - Short Term Loans &amp; Advances</b>	<b>As at</b>		
	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Balance with Central Excise Authorities (Net) / IGST Receivable (Sez)	-	1.12	1.12
GST Receivable	-	-	27.69
Advance Income Tax (Net of Provision)	13.57	15.42	13.20
MAT Credit	-	-	27.84
Business Advances	222.85	626.87	35.03
Loans to Employees	0.25	0.50	0.66
Prepaid Expenses	-	0.48	0.38

Advances to Suppliers	4,591.20	2,109.75	25.47
<b>Total</b>	<b>4,827.86</b>	<b>2,754.14</b>	<b>131.40</b>

**Annexure V - Notes to the Restated Financial Information**  
**Note 7 - Property, Plant and Equipment FY 2022-23**

(₹ in lakhs)

Particulars	Gross Block				Depreciation				Net Block	
	As on 01-04-2022	Additions	Deductions/ Adjustments	As on 31-03-2023	Up to 01-04- 2022	For the Year	Deductions / Adjustments	Total	As on 31-03-2023	As on 31-03- 2022
<b>Tangible Assets:</b>										
Plant and Machinery	1,195.54	35.81	-	1,231.35	922.55	52.55	-	975.10	256.25	273.00
Factory Equipment	34.51	-	-	34.51	32.42	0.60	-	33.03	1.49	2.09
Office Equipment	20.94	0.26	-	21.20	19.97	0.23	-	20.19	1.00	0.97
Furniture & Fixture	193.28	-	-	193.28	135.18	15.19	-	150.37	42.91	58.11
Computers and Printers	17.74	0.82	-	18.56	15.99	1.26	-	17.25	1.32	1.75
<b>Sub-Total</b>	<b>1,462.02</b>	<b>36.88</b>	<b>-</b>	<b>1,498.90</b>	<b>1,126.10</b>	<b>69.84</b>	<b>-</b>	<b>1,195.94</b>	<b>302.96</b>	<b>335.92</b>
<b>Intangible Assets:</b>										
Trade Mark	101.00	-	-	101.00	95.95	-	-	95.95	5.05	5.05
<b>Sub-Total</b>	<b>101.00</b>	<b>-</b>	<b>-</b>	<b>101.00</b>	<b>95.95</b>	<b>-</b>	<b>-</b>	<b>95.95</b>	<b>5.05</b>	<b>5.05</b>
<b>Total</b>	<b>1,563.02</b>	<b>36.88</b>	<b>-</b>	<b>1,599.90</b>	<b>1,222.05</b>	<b>69.84</b>	<b>-</b>	<b>1,291.89</b>	<b>308.01</b>	<b>340.97</b>
<b>Note 7 - Property, Plant and Equipment FY 2021-22</b>										
(₹ in lakhs)										
<b>Tangible Assets:</b>										
Plant and Machinery	1,508.11	7.38	319.94	1,195.54	861.37	61.18	-	922.55	273.00	646.74
Factory Equipment	34.51	-	-	34.51	31.88	0.54	-	32.42	2.09	2.63
Office Equipment	20.94	-	-	20.94	19.95	0.01	-	19.97	0.97	0.99

Motor Vehicles	-	-	-	-	-	-	-	-	-	-
Furniture & Fixture	193.28	-	-	193.28	115.83	19.35	-	135.18	58.11	77.45
Computers and Printers	17.74	-	-	17.74	13.37	2.61	-	15.99	1.75	4.36
<b>Sub-Total</b>	<b>1,774.59</b>	<b>7.38</b>	<b>319.94</b>	<b>1,462.02</b>	<b>1,042.41</b>	<b>83.69</b>	<b>-</b>	<b>1,126.10</b>	<b>335.92</b>	<b>732.18</b>
<b>Intangible Assets:</b>										
Trade Mark	101.00	-	-	101.00	95.95	-	-	95.95	5.05	5.05
<b>Sub-Total</b>	<b>101.00</b>	<b>-</b>	<b>-</b>	<b>101.00</b>	<b>95.95</b>	<b>-</b>	<b>-</b>	<b>95.95</b>	<b>5.05</b>	<b>5.05</b>
<b>Total</b>	<b>1,875.59</b>	<b>7.38</b>	<b>319.94</b>	<b>1,563.02</b>	<b>1,138.36</b>	<b>83.69</b>	<b>-</b>	<b>1,222.05</b>	<b>340.97</b>	<b>737.23</b>
<b>Note 7 - Property, Plant and Equipment FY 2020-21</b>										
<b>(₹ in lakhs)</b>										
<b>Tangible Assets:</b>										
Plant and Machinery	1,155.19	352.92	-	1,508.11	807.46	53.91	-	861.37	646.74	278.09
Factory Equipment	34.51	-	-	34.51	30.88	1.00	-	31.88	2.63	3.63
Office Equipment	20.94	-	-	20.94	19.82	0.13	-	19.95	0.99	1.28
Motor Vehicles	2.56	-	2.56	-	2.38	0.03	2.41	-	-	0.18
Furniture & Fixture	179.18	14.10	-	193.28	93.00	22.83	-	115.83	77.45	86.18
Computers and Printers	12.62	5.12	-	17.74	12.08	1.29	-	13.37	4.36	0.54
<b>Sub-Total</b>	<b>1,405.02</b>	<b>372.13</b>	<b>2.56</b>	<b>1,774.59</b>	<b>965.62</b>	<b>79.20</b>	<b>2.41</b>	<b>1,042.41</b>	<b>732.18</b>	<b>369.90</b>
<b>Intangible Assets:</b>										
Trade Mark	101.00	-	-	101.00	95.95	-	-	95.95	5.05	5.05
<b>Sub-Total</b>	<b>101.00</b>	<b>-</b>	<b>-</b>	<b>101.00</b>	<b>95.95</b>	<b>-</b>	<b>-</b>	<b>95.95</b>	<b>5.05</b>	<b>5.05</b>



<b>Total</b>	<b>1,506.02</b>	<b>372.13</b>	<b>2.56</b>	<b>1,875.59</b>	<b>1,061.57</b>	<b>79.20</b>	<b>2.41</b>	<b>1,138.36</b>	<b>737.23</b>	<b>374.95</b>
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**Annexure V - Notes to the Restated Financial Information**

(` in lakhs)

Note 14 - Revenue	For the period ended		
	March 31, 2023	March 31, 2022	March 31, 2021
<b>Sale of products</b>			
Sales	3,025.04	3,439.65	1,574.28
<b>Total</b>	<b>3,025.04</b>	<b>3,439.65</b>	<b>1,574.28</b>

(` in lakhs)

Note 15 - Other Income	For the period ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Other income	0.06	-	7.50
Interest Income	3.72	3.90	5.35
<b>Total</b>	<b>3.78</b>	<b>3.90</b>	<b>12.85</b>

(` in lakhs)

Note 16 - Cost of Materials Consumed	For the period ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Purchases	2,625.59	2,002.55	1,154.15
Add: Opening stock of raw materials	98.71	103.03	146.13
	<b>2,724.30</b>	<b>2,105.58</b>	<b>1,300.28</b>
Less: Closing stock of raw materials	165.99	98.71	103.03
<b>Total</b>	<b>2,558.31</b>	<b>2,006.87</b>	<b>1,197.25</b>

(` in lakhs)

Note 17 - Changes in Inventory of Finished Goods	For the period ended		
	March 31, 2023	March 31, 2022	March 31, 2021
<b>Inventories (at close)</b>			
Finished Goods	113.80	71.61	60.13
Stock-in-Process	976.23	15.45	18.77
Scrap	14.20	11.95	19.94
<b>Inventories (at commencement)</b>			
Finished Goods	78.13	60.13	299.68
Stock-in-Process	15.45	18.77	43.97
Scrap	11.95	19.94	16.86
<b>Total</b>	<b>(998.70)</b>	<b>(0.17)</b>	<b>261.68</b>

(` in lakhs)

Note 18 - Employee Benefit Expenses	For the period ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Salaries, wages and bonus (Refer Note 28)	91.85	107.93	108.20

Contribution to provident and other funds	3.26	3.80	3.17
Gratuity	1.37	0.68	1.00
Staff welfare expenses	11.93	12.48	10.20
<b>Total</b>	<b>108.41</b>	<b>123.53</b>	<b>122.57</b>

(` in lakhs)

Note 19 - Finance Costs	For the period ended		
	March 31, 2023	March 31, 2022	March 31, 2021
BG Commission	-	1.25	6.19
Processing fee and charges	0.23	0.15	-
<b>Total</b>	<b>0.23</b>	<b>1.40</b>	<b>6.19</b>

(` in lakhs)

Note 20 - Depreciation and Amortisation Expenses	For the period ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Depreciation and Amortisation	69.84	83.69	79.20
<b>Total</b>	<b>69.84</b>	<b>83.69</b>	<b>79.20</b>

(` in lakhs)

Note 21 - Other Expenses	For the period ended		
	March 31, 2023	March 31, 2022	March 31, 2021
<b>Manufacturing expenses</b>			
Consumption of Stores and Spares	0.58	6.08	1.70
Electric, Power, Fuel and Water	42.65	37.02	34.26
Labour Processing and Machinery Hire Charges	72.43	77.32	66.55
Repairs to Machinery	5.53	7.01	5.67
	<b>121.20</b>	<b>127.44</b>	<b>108.19</b>
<b>Selling and distribution expenses</b>			
Freight and forwarding expenses	19.32	13.68	10.15
Discounts given	-	0.32	4.77
	<b>19.32</b>	<b>14.00</b>	<b>14.92</b>
<b>Establishment expenses</b>			
Professional fees	8.27	1.08	7.00
General expenses	9.83	23.74	14.70
Insurance Expenses	1.36	1.23	0.81
ROC Charges	0.08	0.02	0.09
CSR Expenses	6.00	-	-
Rent, rates and taxes	55.39	0.26	0.71
Payment to auditors	0.75	1.00	1.00

	<b>81.68</b>	<b>27.33</b>	<b>24.31</b>
<b>Total</b>	<b>222.19</b>	<b>168.78</b>	<b>147.42</b>

(` in lakhs)

Payment to auditors as:	For the period ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Statutory audit fees	0.75	0.75	0.75
Tax audit fees	-	0.25	0.25
MVAT matters	-	-	-
Certification and Consultation Fees	-	-	-
	<b>0.75</b>	<b>1.00</b>	<b>1.00</b>

(` in lakhs)

Note 22 - Earning Per Share (EPS)	For the period ended		
	March 31, 2023	March 31, 2022	March 31, 2021
Net profit after tax as per statement of profit and loss attributable equity share holders (`)	799.60	864.26	-
Weighted average number of equity shares used as denominator for calculating EPS	1,74,00,001	1,74,00,001	223.69
Basic and diluted earnings per share (`)	4.60	4.97	1,74,00,001
Face value per equity share (`)	10.00	10.00	-

\*The members of the Company, at their Extra Ordinary General Meeting held on March 30th, 2023, approved the issue and allotment of 1,24,00,001 (One crore Twenty Four lakhs and One only) Equity Shares of ₹ 10 each credited as fully paid up to the equity shareholders in the proportion of 62 (Sixty Two) equity shares for every 25 (Twenty Five) equity shares held by them on record date i.e. March 28th, 2023 fully paid-up Equity Share held by them.

(` in lakhs)

Note 23 - Contingent liabilities and commitments	For the period ended		
	March 31, 2023	March 31, 2022	March 31, 2021
<b>Contingent liabilities (to the extent not provided for)</b>			
a Bank Guarantees opened with banks	139.74	139.74	139.74
b Custom Duty payable against Export Obligation	96.01	96.01	96.01
<b>Commitments</b>			
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	-	-

**Annexure V - Notes to the Restated Financial Information**

**Note 24 - Defined Benefit Plans (Unfunded) - Gratuity :**

(` in lakhs)

i)	Reconciliation of opening and closing balances of Defined Benefit obligation:	For the period ended		
		March 31, 2023	March 31, 2022	March 31, 2021
	Defined Benefit obligation at beginning of the year	10.88	11.56	10.55
	Current Service Cost	2.97	3.52	2.80
	Interest Cost	0.62	0.60	0.58
	Actuarial (gain) / loss	(2.22)	(4.80)	(2.38)
	Benefits paid	-	-	-
	<b>Defined Benefit obligation at year end</b>	<b>12.25</b>	<b>10.88</b>	<b>11.56</b>

(` in lakhs)

ii)	Expense recognized under employment costs during the year :	For the period ended		
		March 31, 2023	March 31, 2022	March 31, 2021
	Current Service Cost	2.97	3.52	2.80
	Interest Cost	0.62	0.60	0.58
	Actuarial (gain) / loss	(2.22)	(4.80)	(2.38)
	<b>Net Cost</b>	<b>1.37</b>	<b>(0.68)</b>	<b>1.00</b>

iii)	Actuarial assumptions	For the period ended		
		March 31, 2023	March 31, 2022	March 31, 2021
	Mortality Table	<b>Indian Assured Lives Mortality (2012-14)</b>	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
	Discount rate (per annum)	<b>7.29%</b>	5.66%	5.18%
	Rate of escalation in salary (per annum)	<b>10.00%</b>	10.00%	10.00%
	Attrition Rate	<b>25.00%</b>	25.00%	25.00%

(` in lakhs)

iv)	Amount Recognised in the balance sheet	For the period ended		
		March 31, 2023	March 31, 2022	March 31, 2021
	Present Value of Benefit Obligation as the opening of the period	<b>10.88</b>	11.56	10.55
	Expense Recognized in Statement of Profit or Loss	<b>1.37</b>	(0.68)	1.00
	Benefits Paid	-	-	-
	Present Value of Benefit Obligation As the end of the period	<b>12.25</b>	10.88	11.56
	Current Liability	<b>1.62</b>	1.49	1.30
	Non – Current Liability	<b>10.63</b>	9.39	10.25

(` in lakhs)

v)	For the period ended		
----	----------------------	--	--

	<b>Amount recognized in the Profit and loss account under the defined contribution plan</b>	<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
	Amount recognized in the Profit and Loss Account under the defined contribution plan	<b>1.37</b>	(0.68)	1.00

<b>Annexure V - Notes to the Restated Financial Information</b>					
<b>Note 25 - Related Party Disclosures</b>					
As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:					
List of related parties where control exists and related parties with whom transactions have taken place and relationships:					
<b>Sr. No.</b>	<b>Name of the Related Party</b>	<b>Relationship</b>			
1	Mr. Pravin Kumar Agarwal*	Key Managerial Personnel			
2	Mr. Saideep Shantaram Bagale				
3	Mrs. Priyanka Yadav				
4	Mr. Dilip Kumar Swarnkar				
5	Mr. Santosh Kumar Palaria				
6	Arvind Sharma				
7	Reetu Bansal (Company Secretary)				
6	Mr. Chandrashekhar Harishchandra Meher (CFO)				
7	Mrs. Jyotsna Agarwal			Relatives of Key Managerial Personnel	
8	Ayesspea Holdings and Investments Private Limited			Enterprises over which Key Managerial Personnel (KMP) are able to exercise influential control / Companies under Same Management	
9	PKH Ventures Limited				
10	Garuda Aviation Services Private Limited				
11	Makindian Foods Private Limited				
12	Garuda Construction and Engineering Private Limited				
13	Aroma Coffees Private Limited				
14	Electroplast (India) Private Limited				
15	Gallic Electro Technologies Private Limited				
16	Artemis Electricals and Projects Limited				
17	Golden Chariot Hospitality Service Private Limited				
18	PKHS and Sanjay Khanvilkar JV				
<b>i) Transactions during the year with related parties:</b>					
<b>Sr. No.</b>	<b>Nature of Transactions</b>	<b>For the period ended</b>			
		<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>	
<b>1</b>	<b>Sale of Items and Services (Net of Returns)</b>				
	<b>Enterprise over which KMP are able to exercise influential control</b>				
	Artemis Electricals and Projects Limited	752.73	1,670.95	41.74	
	Electroplast (India) Private Limited	0.50	0.59	9.04	
	Garuda Construction and Engineering Private Limited	99.41	-	-	
<b>2</b>	<b>Purchase of Items and Services (Net of Returns)</b>				
	<b>Enterprise over which KMP are able to exercise influential control</b>				
	Electroplast (India) Private Limited	-	5.44	1.95	
	Artemis Electricals and Projects Limited	-	-	0.01	

	Garuda Construction and Engineering Private Limited	754.06	-	-
<b>3</b>	<b>Net Loans and Advances taken / (repaid)</b>			
	<b>Enterprise over which KMP are able to exercise influential control</b>			
	PKH Ventures Limited	(1.60)	1.60	-
	Garuda Aviation Services Private Limited	(848.61)	848.61	-
	Aroma Coffees Private Limited	(7.83)	2.12	-
	PKHS and Sanjay Khanvilkar JV	(20.21)	(23.85)	-
	Ayesspea Holdings and Investments Private Limited	-	-	(7.97)
	Garuda Construction and Engineering Private Limited	-	-	2.50
<b>4</b>	<b>Net Loans and Advances paid / (received back)</b>			
	<b>Key Managerial Personnel</b>			
	Pravin Kumar Agarwal		(75.00)	-
	<b>Enterprise over which KMP are able to exercise influential control</b>			
	Ayesspea Holdings and Investments Private Limited	(388.72)	961.64	-
	Gallic Electro Technologies Private Limited	-	-	-
	Golden Chariot Hospitality Service Private Limited	-	-	-
	Artemis Electricals and Projects Limited	(13.20)	8.30	3.80
	NS Patil Developers Private Limited	2,720.00	-	-
<b>ii) Closing balance with related parties:</b>				
<b>(₹ in lakhs)</b>				
Sr. No.	Nature of Transactions	As at		
		March 31, 2023	March 31, 2022	March 31, 2021
<b>5</b>	<b>Trade Receivables</b>			
	<b>Enterprise over which KMP are able to exercise influential control</b>			
	Electroplast (India) Private Limited	25.05	30.31	30.31
	Artemis Electricals and Projects Limited	-	-	53.54
	Makinidan Foods Private Limited	-	-	1.79
<b>6</b>	<b>Business Advances Received</b>			
	<b>Enterprise over which KMP are able to exercise influential control</b>			
	PKH Ventures Limited	-	1.60	-
	Garuda Aviation Services Private Limited	-	848.61	-
	Aroma Coffees Private Limited	-	7.83	-
	PKHS and Sanjay Khanvilkar JV	-	20.21	-



	Ayesspea Holdings and Investments Private Limited	-	-	461.75
<b>7</b>	<b>Trade and other payables</b>			
	<b>Key Managerial Personnel</b>			
	Jyotna Agarwal	-	7.20	7.20
	<b>Enterprise over which KMP are able to exercise influential control</b>			
	Electroplast (India) Private Limited	-	2.92	1.27
	Artemis Electricals and Projects Limited	-	-	110.22
	Aroma Coffees Private Limited	27.94	-	-
<b>8</b>	<b>Advance from Customers</b>			
	<b>Enterprise over which KMP are able to exercise influential control</b>			
	Artemis Electricals and Projects Limited	4,645.35	2,075.03	-
<b>9</b>	<b>Advances given to related Parties</b>			
	<b>Key Managerial Personnel</b>			
	Pravin Kumar Agarwal	-	-	(75.00)
	<b>Enterprise over which KMP are able to exercise influential control</b>			
	Ayesspea Holdings and Investments Private Limited	111.17	499.89	-
	Gallic Electro Technologies Private Limited	10.13	10.13	10.13
	Golden Chariot Hospitality Service Private Limited	18.00	18.00	18.00
	Artemis Electricals and Projects Limited	-	13.20	(369.62)
	NS Patil Developers Private Limited	2,720.00	-	-
	Aroma Coffees Private Limited	-	-	(5.71)
	PKHS and Sanjay Khanvilkar JV	-	-	(44.07)
<b>26. Segment Information</b>				
Disclosure under Ind AS 108 - 'Operating Segments' could not be provided as sufficient information relating to the same was not available with the management. Further the Company conducts its business in only one Geographical Segment, viz., India.				
<b>27. Ratios</b>				
		<b>March 31, 2023</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
(i)	Current Ratio	1.27	1.53	1.01
	(Total current assets/Total current liabilities)			
(ii)	Debt-Equity Ratio	-	0.85	3.42
	(Total Debt/Total Equity)			
(iii)	Debt Service Coverage Ratio	NA	NA	NA
	(Profit Before Interest & Tax/Debt Service)			
(iv)	Inventory Turnover Ratio	4.10	16.67	4.36
	(Sale of Products/Average Inventory)			
(v)	Trade Receivables Turnover Ratio	5.69	7.20	3.28

	(Revenue from Operation/Average Trade Receivable)			
(vi)	Trade Payables Turnover Ratio	6.39	4.85	3.75
	(Net Credit Purchases (Raw Material, Packing Material and Purchase of Traded Goods) / Average Trade Payable)			
(vii)	Net Capital Turnover Ratio	2.05	2.26	147.31
	(Revenue from Operations/Working Capital (Total Current Assets less Total Current Liabilities))			
(viii)	Return on Equity (Profit for the Year/Total Equity)	43.57%	83.44%	-130.45%
(ix)	Net Profit Ratio (Profit for the Year/Revenue from Operations)	26.43%	25.13%	-14.21%
(x)	Return on Capital Employed (Profit before Tax and Finance Costs/Capital Employed (Net worth + Lease liability + Deferred tax Liability))	58.23%	102.43%	-128.88%
(xi)	Return on Investment (Income Generated from Invested funds/Average Invested Funds)	NA	NA	NA

#### 28. Corporate Social Responsibility (CSR)

(₹ in lakhs)

		March 31, 2023	March 31, 2022	March 31, 2021
(i)	Amount Required to be Spent by the Company During the Year	6.00	-	-
(ii)	Amount of Expenditure Incurred	6.00	-	-
(iii)	Shortfall at the End of the Year	-	-	-
(iv)	Total of Previous Years Shortfall	Nil	Nil	Nil
(v)	Reason for Shortfall	NA	NA	NA
(vi)	Nature of CSR Activities	Donation to Trust	NA	NA
(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,	NA	NA	NA
(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.	NA	NA	NA

#### 29. Disclosure of Transactions With Struck Off Companies

The Company did not have any material transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year.

30. No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

i	Crypto Currency or Virtual Currency																													
ii	Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder																													
iii	Registration of charges or satisfaction with Registrar of Companies																													
iv	Relating to borrowed funds: a) Wilful defaulter b) Utilisation of borrowed funds & share premium c) Borrowings obtained on the basis of security of current assets d) Discrepancy in utilisation of borrowings e) Current maturity of long term borrowings																													
<b>31.</b>	<b>Particulars of Loans, Guarantees or Investments covered under Section 186(4) of the Companies Act, 2013</b> There are no loans granted, guarantees given and investments made by the Company under Section 186 of the Companies Act, 2013 read with rules framed thereunder except as stated under note 13 to the financial statement.																													
<b>32.</b>	In the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value stated as realizable in the ordinary course of business and the provision for all known liabilities are adequate.																													
<b>33.</b>	<b>Loans and Advances to Related Parties repayable on demand / no specific terms of repayment:</b> (₹ in lakhs)																													
	<table border="1"> <thead> <tr> <th rowspan="2">Type of Borrower</th> <th colspan="2">March 31, 2023</th> <th colspan="2">March 31, 2022</th> </tr> <tr> <th>Amount of loan and Advance in the nature of Loan outstanding</th> <th>Percentage to the total Loans and Advances in the nature of loans</th> <th>Amount of loan and Advance in the nature of Loan outstanding</th> <th>Percentage to the total Loans and Advances in the nature of loans</th> </tr> </thead> <tbody> <tr> <td>Promoters</td> <td>-</td> <td>0.00%</td> <td>-</td> <td>0.00%</td> </tr> <tr> <td>Directors</td> <td>-</td> <td>0.00%</td> <td>-</td> <td>0.00%</td> </tr> <tr> <td>KMPs</td> <td>-</td> <td>0.00%</td> <td>-</td> <td>0.00%</td> </tr> <tr> <td>Other Related Parties</td> <td>2,859.30</td> <td>60.24%</td> <td>541.22</td> <td>19.93%</td> </tr> </tbody> </table>	Type of Borrower	March 31, 2023		March 31, 2022		Amount of loan and Advance in the nature of Loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan and Advance in the nature of Loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Promoters	-	0.00%	-	0.00%	Directors	-	0.00%	-	0.00%	KMPs	-	0.00%	-	0.00%	Other Related Parties	2,859.30	60.24%	541.22	19.93%
Type of Borrower	March 31, 2023		March 31, 2022																											
	Amount of loan and Advance in the nature of Loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan and Advance in the nature of Loan outstanding	Percentage to the total Loans and Advances in the nature of loans																										
Promoters	-	0.00%	-	0.00%																										
Directors	-	0.00%	-	0.00%																										
KMPs	-	0.00%	-	0.00%																										
Other Related Parties	2,859.30	60.24%	541.22	19.93%																										
<b>34.</b>	Debit and Credit balances are subject to confirmation and reconciliation if any.																													
<b>35.</b>	Previous year figures have been regrouped / reclassified, wherever necessary, to correspond with current year classification.																													

Annexure VI - Restated Statement of Reserve and Surplus of Electro Force (India) Limited (₹ in lakhs)			
Particulars	As at		
	March 31, 2023	March 31, 2022	March 31, 2021
<b>Surplus in the Statement of Profit and Loss</b>			
As per last Balance Sheet			-94.29
	535.73	(316.97)	
Add: Profit for the year	799.60	864.26	(223.69)
Less: Proposed dividend	-	-	-
<b>Total</b>	<b>1,335.33</b>	<b>547.28</b>	<b>(317.97)</b>
Annexure VII - Restated Statement of Secured Borrowings of Electro Force (India) Limited (₹ in lakhs)			
Particulars	As at		
	March 31, 2023	March 31, 2022	March 31, 2021

<b>Long term borrowings</b>			
Term Loan	-	-	-
<b>Short term borrowings</b>			
Cash Credit Facility	-	-	-
<b>Total</b>	-	-	-

**Annexure VIII - Restated Statement of Unsecured Borrowings of Electro Force (India) Limited**

(` in lakhs)

Particulars	As at		
	March 31, 2023	March 31, 2022	March 31, 2021
From Related Parties	-	878.26	586.53
<b>Total</b>	<b>-</b>	<b>878.26</b>	<b>586.53</b>

**Annexure - IX - Restated Statement of Current Liabilities & Provisions of Electro Force (India) Limited**

(` in lakhs)

Particulars	As at		
	March 31, 2023	March 31, 2022	March 31, 2021
<b>Other Current Liabilities</b>			
Statutory Dues	1.63	124.94	0.69
Advances from customers	4,673.32	2,076.19	488.29
Current Account Over Drawn	-	-	37.27
	<b>4,674.95</b>	<b>2,201.14</b>	<b>526.25</b>
<b>Long Term Provisions</b>			
Provision for Gratuity	<b>10.63</b>	<b>9.39</b>	<b>10.25</b>
	<b>4,685.58</b>	<b>2,210.52</b>	<b>536.50</b>
<b>Short Term Provisions</b>			
Provisions for employee benefits	9.51	9.01	20.20
Provision for Audit Fees	1.75	3.00	2.00
Expenses Payable	35.53	7.20	7.20
Provision for Gratuity	1.62	1.49	1.30
Provision for income tax (Net of advances and MAT credit)	272.14	206.45	-
	<b>320.55</b>	<b>227.15</b>	<b>30.71</b>
<b>Total</b>	<b>4,995.51</b>	<b>2,428.28</b>	<b>556.96</b>

**Annexure - X - Restated Statement of Trade Receivables of Electro Force (India) Limited**

(` in lakhs)

Particulars	As at		
	March 31, 2023	March 31, 2022	March 31, 2021
Unsecured and considered good (unless otherwise stated)			
Outstanding for a period exceeding six months	66.37	41.58	417.49
Others	600.98	354.17	141.96
<b>Total</b>	<b>667.35</b>	<b>395.75</b>	<b>559.45</b>

**Annexure - XI - Restated Statement of Long Term Loans and Advances of Electro Force (India) Limited**

(` in lakhs)

Particulars	As at		
	March 31, 2023	March 31, 2022	March 31, 2021
<b>Long term loans and advances</b> Unsecured and considered good (unless otherwise stated)			
Security deposits with others	17.19	17.19	16.85
<b>Total</b>	<b>17.19</b>	<b>17.19</b>	<b>16.85</b>

**Annexure - XII - Restated Statement of Short Term Loans & Advances of Electro Force (India) Limited**

(` in lakhs)

Particulars	As at		
	March 31, 2023	March 31, 2022	March 31, 2021
Balance with Central Excise Authorities (Net) / IGST Receivable (Sez)	-	1.12	1.12
GST Receivable	-	-	27.69
Advance Income Tax (Net of Provision)	13.57	15.42	13.20
MAT Credit	-	-	27.84
Business Advances	222.85	626.87	35.03
Loans to Employees	0.25	0.50	0.66
Prepaid Expenses	-	0.48	0.38
Advances to Suppliers	4,591.20	2,109.75	25.47
<b>Total</b>	<b>4,827.86</b>	<b>2,754.14</b>	<b>131.40</b>

**Annexure XIII - Restated Statement of Other Income of Electro Force (India) Limited**

(` in lakhs)

Particulars	Nature (Recurring / Non-recurring)	For the period ended		
		March 31, 2023	March 31, 2022	March 31, 2021
Other income	Recurring	0.06	-	7.50
Interest Income	Recurring	3.72	3.90	5.35
<b>Total</b>		<b>3.78</b>	<b>3.90</b>	<b>12.85</b>

Note :

1. The classification of income into recurring and non-recurring is based on the current operations and business activities of the Company.
2. All items of Other Income are from normal business activities.

**Annexure XIV -Restated Statement of Accounting Ratios of Electro Force (India) Limited**

(` in lakhs)

Particulars	For the period ended
-------------	----------------------

Sr. No.		March 31, 2023	March 31, 2022	March 31, 2021
1	Restated Profit / (Loss) after Tax (in lakhs)	799.60	864.26	(223.69)
2	Net Profit / (Loss) available to Equity Shareholders (in Lakhs)	799.60	864.26	(223.69)
3	Weighted average number of Equity Shares outstanding during the year for Basic EPS	1,74,00,001	1,74,00,001	1,74,00,001
4	Weighted average number of Equity Shares outstanding during the year for Diluted EPS	1,74,00,001	1,74,00,001	1,74,00,001
5	Number of Equity Shares outstanding at the end of the year	1,74,00,001	1,74,00,001	1,74,00,001
6	Net Worth for Equity Shareholders (in lakhs)	1,835.33	1,035.73	171.47
7	Accounting Ratios:			
	Basic Earnings / (Loss) per Share ( ` ) (2)/(3)	4.60	4.97	(1.29)
	Diluted Earnings / (Loss) per Share ( ` ) (2)/(4) (Refer Annexure V, Note 25)	4.60	4.97	(1.29)
	Return on Net Worth for Equity Shareholders(2)/(6)	43.57%	83.44%	-130.45%
	Net Asset Value Per Share ( ` ) (6)/(5)	10.55	5.95	0.99
<p>Note:</p> <p>1. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.</p> <p>2. Net worth for ratios mentioned in Sr. No. 6 is = Equity share capital + Reserves and surplus (including Securities Premium, Share Option Outstanding Account, Debenture Redemption Reserve and Surplus/ (Deficit))</p> <p>3. The above ratios have been computed on the basis of the Restated Financial Information- Annexure I &amp; Annexure II.</p>				

<b>Annexure XV - Restated Statement of Capitalisation of Electro Force (India) Limited</b>		( ` in lakhs)
<b>Particulars</b>	<b>Pre-Issue as at March 31, 2023</b>	
<b>Debt:</b>		
Long term borrowings	0.00	
Short term borrowings	-	
Current portion of Secured long term borrowings, included in Other Current Liabilities	1.63	
<b>Total debt (A)</b>	<b>1.63</b>	
<b>Shareholders Funds:</b>		
Equity Share Capital	1,740.00	
Reserves and Surplus	95.33	
<b>Total Shareholders Funds (B)</b>	<b>1,835.33</b>	
<b>Total Debt/Equity Ratio (A/B)</b>	<b>0.00</b>	
<b>Total Long Term Debt / Equity Ratio (Long term borrowings/Equity Share Capital &amp; Reserves and Surplus)</b>	<b>0.00</b>	
<p>Notes:</p> <p>i) The above has been computed on the basis of the Restated Financial Information - Annexure I &amp; Annexure II.</p> <p>ii) Short term borrowings represent working capital loans, Commercial paper and Short term loans.</p> <p>iii) The issue price and number of shares are being finalised and as such the post- capitalisation statement cannot be presented.</p>		

**Annexure XVI - Restated Statement of Tax Shelter of Electro Force (India) Limited**

(` in lakhs)

Particulars		As at		
		March 31, 2023	March 31, 2022	March 31, 2021
<b>A</b>	Profit/ (Loss) before taxation and adjustments	1,068.53	1,059.46	(227.17)
<b>B</b>	Tax at applicable Rates	25.17%	25.17%	25.17%
<b>C</b>	Tax thereon at the above rate	268.95	266.67	(57.18)
	<b>Adjustments:</b>			
<b>D</b>	<b>Permanent Differences</b>			
	Net Disallowances/ (Allowances) under the Income Tax Act	-	-	-
	Deduction u/s 80 G of the Income Tax Act Profit / Loss on Sale of Assets	-	-	-
	Others	-	-	-
	<b>Total Permanent Differences</b>	-	-	-
<b>E</b>	<b>Timing Differences</b>			
	Difference in depreciation as per Income Tax Act and Financial Statements	18.32	(128.63)	227.17
	Loss / unaborsbed depreiciation set off	-	-	-
	Deduction u/s 43B of the Income tax act Others	-	-	-
	<b>Total Timing Differences</b>	<b>18.32</b>	<b>(128.63)</b>	<b>227.17</b>
<b>F</b>	<b>Net Adjustments (D+E)</b>	<b>18.32</b>	<b>(128.63)</b>	<b>227.17</b>
<b>G</b>	<b>Tax Expense/ (savings) thereon (FxB)</b>	<b>4.61</b>	<b>(32.38)</b>	<b>57.18</b>
<b>H</b>	<b>Tax Liability (C+G)</b>	<b>273.56</b>	<b>234.29</b>	<b>-</b>
<b>I</b>	<b>Minimum Alternate Tax under Sec. 115 JB of Income Tax Act including other taxes</b>			
	Tax Rate as per Minimum Alternate Tax under Sec. 115 JB of Income Tax Act	20.59%	19.06%	19.06%
	Tax Liability as per Minimum Alternate Tax under Sec. 115 JB of Income Tax Act including other taxes	220.01	201.88	(43.29)
<b>J</b>	<b>Net Tax Liability (Higher of H and I)</b>	<b>273.56</b>	<b>234.29</b>	<b>-</b>
<b>K</b>	<b>Total Current Tax</b>	<b>273.56</b>	<b>234.29</b>	<b>-</b>
<b>L</b>	Impact of Material Adjustments for Restatement in corresponding years	-	-	-
<b>M</b>	Current Tax Liability on Material Adjustments for Restatement in corresponding years	-	-	-
<b>N</b>	Taxable Profit before Taxation and after adjustments as Restated (A+F+L, restricted to zero)	1,086.85	930.83	-
<b>O</b>	<b>Total Tax Liability after Tax impact of adjustments</b>	<b>273.56</b>	<b>234.29</b>	<b>-</b>



**Annexure XVII - Reconciliation Of Restatement Adjustments of Electro Force (India) Limited**  
(₹ in Lakhs)

Reconciliation of Restated Equity / Networth	As at		
	March 31, 2023	March 31, 2022	March 31, 2021
<b>Equity / Networth as per Audited Financial Statements</b>	<b>1,835.33</b>	<b>1,074.45</b>	<b>183.03</b>
Adjustments			
Provision for Tax for Earlier Years (Note 1)	-	-27.84	-
Provision for Gratuity (Note 2)	-	-10.88	-11.56
<b>Equity / Networth as per Restated Financial statements</b>	<b>1,835.33</b>	<b>1,035.73</b>	<b>171.47</b>

(₹ in Lakhs)

Reconciliation of Restated Profit after Tax	As at		
	March 31, 2023	March 31, 2022	March 31, 2021
<b>Profit after Tax as per Audited Financial Statements</b>	<b>771.76</b>	<b>891.42</b>	<b>-222.69</b>
Adjustments			
Provision for Tax for Earlier Years (Note 1)	27.84	-27.84	-
Provision for Gratuity (Note 2)	-	0.68	-1.00
<b>Profit after tax as per Restated Statement of Profit and Loss</b>	<b>799.60</b>	<b>864.26</b>	<b>-223.69</b>

**Note 1 - Provision for Tax for Earlier Years**

Income tax provision has been booked once the assessment completed for earlier year in years considered in restated financials statement hence the same has been regrouped and reclassified for the years it was pertained to.

**Note 2 - Provision for Gratuity**

Provision for gratuity has been accounted as per the actuarial valuation.

## OTHER FINANCIAL INFORMATION

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

*(₹ in lakhs, unless otherwise stated)*

Particulars	As at and for the financial year ended March 31, 2023	As at and for the financial year ended March 31, 2022	As at and for the financial year ended March 31, 2021
Restated profit for the year (A)	799.60	864.26	(223.69)
Weighted average number of equity shares outstanding as at year end for basic EPS (B)	1,74,00,001	1,74,00,001	1,74,00,001
Weighted average number of equity shares outstanding as at year end for diluted EPS (C)	1,74,00,001	1,74,00,001	1,74,00,001
Basic Earnings per share (in ₹) (D = A/B)	4.60	17.29	(4.47)
Diluted Earnings per share (in ₹) (E = A/C)	4.60	4.97	(1.29)
Net Worth <sup>(1)</sup> (F)	1835.33	1,035.73	171.47
Return on Net Worth (G = A/F*100) (%) <sup>(2)</sup>	43.57%	83.44%	-130.45%
Net Asset Value per equity share (in ₹) (H= F/B) <sup>(3)</sup>	10.55	5.95	0.99

Notes:

1. Net Worth is calculated as the sum of equity share capital and other equity attributable to owners of the Company
2. Return on Net Worth calculated as restated profit for the year divided by Net worth.
3. Net Asset Value per equity share = Net Asset Value per Share represents Net worth attributable to the owners of the company divided by the numbers of shares outstanding as at year end.

### Related Party Transactions

For details of the related party transactions, as per the requirements under applicable Accounting Standards, i.e., AS 24 - Related Party Disclosures read with the SEBI ICDR Regulations, for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 see “Restated Financial Statements” beginning on page 134.

## **FINANCIAL INDEBTEDNESS**

Set forth below is a brief summary of all the borrowings of our Company together with a brief description of certain significant terms of such financing arrangements.

Further, pursuant to a special resolution passed in the Extra-ordinary General Meeting of our Company held on September 01, 2023 the Board of Directors are authorised to borrow, from time to time, such sum or sums of moneys as the Board may deem fit for the purpose of the business of the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), in excess to the aggregate of the paid – up capital of our Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money/moneys borrowed by the Board of Directors and outstanding at one time shall not exceed ₹ 100 Crores.

### **SECURED BORROWINGS**

As on March 31, 2023, we have not availed secured loans as on the date of the Draft Prospectus.

### **UNSECURED BORROWINGS**

As on March 31, 2023, we have not availed unsecured loans as of the date of Draft Prospectus.

## MANAGEMENTS DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

*You should read the following discussion and analysis of financial condition and results of operations together with our financial statements included in this Draft Prospectus. The following discussion relates to our Company and is based on our restated financial statements. Our financial statements have been prepared in accordance with Indian GAAP, the accounting standards and other applicable provisions of the Companies Act.*

*Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be "Forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.*

### **BUSINESS OVERVIEW**

Our Company was originally incorporated as “Electro Force (India) private limited” on June 14,th 2010 vide certification of incorporation bearing Corporate Identity No. U51909MH2010PTC204214 under the provision of Companies Act, 1956 issued by the Assistant Registrar of Companies, of Mumbai. The status of the Company was changed to public limited and the name of our Company was changed to Electro Force (India) Limited vide Special Resolution dated April 15, 2023 pursuant to conversion of the Company into public limited Company. The fresh certificate of incorporation consequent to conversion was issued on May 11, 2023 by the Registrar of Companies, Mumbai. Subsequently, the Company was converted into Public Limited Company vide a fresh certificate of incorporation issued by Registrar of Companies, Mumbai consequent upon conversion from Private Limited to Public Company dated May 11, 2023 to its present name of Electro Force (India) limited with the Corporate Identification Number U51909MH2010PLC204214.

We are an ISO 9001:2015-certified company that designs and manufactures electrical components, metal / plastic contact parts, and supplies these products to the industry players via a business-to-business (B2B) model. Our company started in the year 2010 as Electro Force (India) Pvt Ltd. Since inception, our Company has been a supplier of high grade precision metal electrical contact Parts and components, connectors and assemblies for applications in electronics, lighting, switchgear and allied industries in India.

Our manufacturing unit is located at Vasai in Maharashtra. We offer end-to-end product solutions to our customers under the B2B model wherein we provide services ranging from designing, manufacturing, quality testing and packaging to logistics. We also offer products in the intermediate stages to many of our customers. Our main focus has been on offering integrated services, mostly to Indian manufacturers of electrical components. We have the ability to perform precision metal stamping, assembly, and moulding. We believe that a team of committed qualified and trained experts have led to the success of our Company and while our products conform to high quality standards, what has distinguished us more than our competitors has been our ability to respond quickly, reliably and accurately to customer’s needs.

We specialize in designing & manufacturing of precision sheet metal components, high speed metal stamping components, plastic injection mouldings, insert and over moulding, sub-assemblies and value added services for diverse industries like electronics, lighting and other engineering industries in India. We believe that we have well-known and reputed customers based in India. For the electrical components sector, we provide complete design and production solutions. As a result, we are capable of producing the majority of above items from the initial stages of concept and design all the way through to final delivery to the customer.

Over the past 13 years, we have accumulated invaluable experience in helping our customers create new designs, incorporating cutting-edge technologies, and effectively utilizing our manufacturing facilities, equipment, and materials. As a result, we are constantly improving our product offerings, structure and functional design to better serve our customer’s needs.

### **FACTORS AFFECTING OUR RESULT OF OPERATIONS**

Except as otherwise stated in this Draft Prospectus and the Risk Factors given in the Draft Prospectus, the following important factors could cause actual results to differ materially from the expectations include, among others:

### ***Regulatory Framework***

We have obtained all regulatory permissions which are necessary to run our business, Further, some of the approvals are granted for fixed periods of time and need renewals, which are obtained in the course of business. however, there may be change in statutory regulations at any time which cannot be predicted by us. There can be no assurance that the change in regulations will not impact our operations in the future.

### ***Ability of Management***

Our success depends on the continued services and performance of the members of our management team and other key employees. Competition for senior management in the industry is intense, and we may not be able to retain our existing senior management or attract and retain new senior management in the future. The loss of the services of our Promoters could seriously impair our ability to continue to manage and expand our business. Further, the loss of any other member of our senior management or other key personnel may adversely affect our business, results of operations and financial condition.

### ***Market & Economic conditions***

India is one of the largest economies and is growing at a rapid pace. But in this globalised economy, all the businesses face an uncertain level of volatility from unexpected global events which ranges from global pandemics to wars, to weather changes to supply chain disruption, which may change the economic dynamics and the purchasing capability of the end customers. At the time of market slowdown the demand falls which has adverse impact on our business.

### ***Competition***

We operate in a competitive atmosphere. Our competition varies by market, geographic areas and type of products. Our Company may face stiff competition from domestic as well as global market as the dynamic changes. Some of our competitors may have greater resources than those available to us. While service quality, technical ability, performance records, etc are key factors in customer decisions among competitors, however, price & quality are the deciding factor in most cases. Further, this industry is fragmented with many small and medium sized companies and entities, which manufactures some of these products at various levels, which may adversely affect our business operation and financial condition. Further, there are no entry barriers in this industry and any expansion in capacity of existing manufacturers would further intensify competition. The markets in which we compete and intend to compete are undergoing, and are expected to continue to undergo, rapid and significant change. We expect competition to intensify as technological advances and consolidations continue. These competitive factors may force us to reduce rates, and to pursue new market opportunities. Increased competition could result in reduced demand for our products, increased expenses, reduced margins and loss of market share. Failure to compete successfully against current or future competitors could harm our business, operating cash flows and financial condition.

### ***COVID-19 Pandemic***

Since the onset of the COVID-19 pandemic in March 2020, our Company's operations have been affected as our employees faced the threat of getting infected. In 2020, cases of the novel corona virus started rapidly increasing in India, which led the government of India to impose a nationwide lockdown. The spread of Covid-19 and its recent developments have had and might continue to have repercussions across local, national and global economies. To prevent the spread of Covid-19 and to comply with the restrictions, we had to temporarily suspend our operations in order to follow the Government's norms. We continuously monitored the economic conditions and have outlined sufficient measures to combat the pandemic situation at our business premises. Once the lockdown was lifted, our operations restarted in full swing. Initially we did find a little hiccup in finding workers but because of our enterprising organization, we were able to source quality workforce and we were able to train them and we restarted our operations. After lifting the lockdown and resuming our operations the demand in our industry abruptly increased from the different sectors and we attained the highest production during the partial year 2020-21 and FY 2021-22. The demand after pandemic ultimately nullified the impact of shutdown during COVID 19 pandemic. The future impact of COVID-19 or any other severe communicable disease on our business and results of operations depends on several factors including those discussed in the chapter "*Risk Factors*" beginning on Page No.21. We continue to closely monitor the

economic conditions and the effect of COVID-19 and have outlined certain measures to combat the pandemic situation and to minimize the impact on our business.

### **Significant Developments after March 31, 2023 that may affect our Future Results of Operations**

The Directors confirm that there have been no other events or circumstances since the date of the last financial statements as disclosed in the Draft Prospectus which materially or adversely affect or is likely to affect the business or profitability of our Company or the value of our assets, or our ability to pay liabilities within next twelve months.

## **STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES**

### **a) Basis of preparation of Financial Statements:**

The restated financial summary statement of assets and liabilities of the Company as at March 31, 2023 and restated financial summary statement for the year ended on March 31, 2022 and 2021 and the related restated summary statement of profits and loss and cash flows for the year ended March 2023 and restated for the year ended March 31, 2022 and 2021 (herein collectively referred to as (“Restated Summary Statements”) have been compiled by the management from the audited Financial Statements for the year ended o 31<sup>st</sup> March ,2023 and for the year ended on March 31, 2022 and March 31, 2021. Restated Summary 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 Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the NSE Emerge in connection with its proposed IPO. The Company’s management has recasted the Financial Statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of restated Summary Statements.

The Restated Financial Statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, including the Accounting Standards as prescribed by the Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of Companies (Accounts) Rules, 2014.

All assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in the Schedule III of the Companies Act, 2013.

### **b) Use of Estimates:**

The preparation of the Financial Statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the period/year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

### **c) Impairment of Assets:**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. An impairment loss is charged to the Statement of Profit and Loss in the period/year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of the recoverable value.

### **d) Provisions and Contingent Liabilities:**

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the Financial Statements.

**e) Cash and Cash Equivalents:**

Cash and cash equivalents comprise Cash-in-Hand, Short-term Deposits and Balance in Current Accounts with Banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**f) Inventories:**

Inventories comprises of Raw Material, Stock in Process & Finished Goods, Stores, Spares and Packing Material.

Closing Stock is valued at Cost or Net Realisable Value whichever is lower. Cost of Stock-in-trade comprises of cost of purchase and other costs incurred in bringing them to their respective present location and condition.

**g) Revenue Recognition:**

Revenue is recognised only when significant risk and rewards of ownership has been transferred to the buyer and it can be reliably measured and it's reasonable to expect ultimate collection of it. Gross sales are of net trade discount and sales returns. The Company adopts accrual concepts in preparation of accounts. Claims /Refunds not ascertainable with reasonable certainty are accounted for, on final settlement.

**h) Other Income:**

Other Income is accounted for when right to receive such income is established.

**i) Earnings per Share:**

Basic earnings per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity share outstanding during the year. Diluted earnings per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) 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 which could have been issued on the conversion of all dilutive potential equity shares.

**j) Taxation & Deferred Tax:**

"Income taxes are accounted for in accordance with Accounting Standard (AS-22) – "Accounting for taxes on income", notified under Companies (Accounting Standard) Rules, 2014. Income tax comprises of both current and deferred tax.

Current tax is measured on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using substantially enacted tax rates and tax regulations as of the Balance Sheet date.

Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization.

**k) Segment Reporting:**

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on

market / fair value factors. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue / expenses / assets / liabilities”.



**RESULTS OF OUR OPERATIONS***(Amount ₹ in lacs)*

Sr. No.	Particulars	For the year ended March 31, 2023	% of Total Income	For the year ended March 31, 2022	% of Total Income	For the year ended March 31, 2021	% of Total Income
<b>A</b>	<b>INCOME</b>						
	Revenue from Operations	3,025.04	99.88%	3,439.65	99.89%	1,574.28	99.19%
	Other Income	3.78	0.12%	3.90	0.11%	12.85	0.81%
	<b>Total Income (A)</b>	<b>3,028.81</b>	<b>100.00%</b>	<b>3,443.55</b>	<b>100.00%</b>	<b>1,587.13</b>	<b>100.00%</b>
<b>B</b>	<b>EXPENDITURE</b>						
	Cost of material consumed	2558.31	84.47%	2,006.87	58.28%	1,197.25	75.43%
	Changes in inventories of finished goods	(998.70)	-32.97%	(0.17)	0.00%	261.68	16.49%
	Employee benefits expense	108.41	3.58%	123.53	3.59%	122.57	7.72%
	Finance costs	0.23	0.01%	1.40	0.04%	6.19	0.39%
	Depreciation and amortization expense	69.84	2.31%	83.69	2.43%	79.20	4.99%
	Other expenses	222.19	7.34%	168.78	4.90%	147.42	9.29%
	<b>Total Expenses (B)</b>	<b>1,960.28</b>	<b>64.72%</b>	<b>2,384.09</b>	<b>69.23%</b>	<b>1,814.30</b>	<b>114.31%</b>
<b>C</b>	<b>Profit before exceptional items and tax(A-B)</b>	<b>1,068.53</b>	<b>35.28%</b>	<b>1,059.46</b>	<b>30.77%</b>	<b>(227.17)</b>	<b>-14.31%</b>
	Exceptional items	-	-	-	-	-	-
<b>D</b>	<b>Profit before tax</b>	<b>1,068.53</b>	<b>35.28%</b>	<b>1,059.46</b>	<b>30.77%</b>	<b>(227.17)</b>	<b>-14.31</b>
<b>E</b>	<b>Tax Expense:</b>						
	(i) Current tax	273.56	9.03%	234.29	6.80%	-	-
	(ii) Deferred tax	(4.63)	-0.15%	(39.09)	-1.14%	(3.48)	-0.22%
	(iii) MAT Credit Entitlement	-	-	-	-	-	-
<b>F</b>	<b>Profit for the year</b>	<b>799.60</b>	<b>26.40%</b>	<b>864.26</b>	<b>25.10%</b>	<b>(223.69)</b>	<b>-14.09%</b>

## ***Main Components of our Profit and Loss Accounts.***

### ***Income***

Our total income comprises of revenue from operations and other income.

### ***Revenue from Operations***

Our revenue from operation as a percentage of our total income was 99.88%, 99.89% and 99.19% for the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 respectively.

### ***Other Income***

It is the income earned from Misc. Receipts, Interest Income, etc.

### ***Expenditure***

Our total expenditure primarily consists of cost of materials consumed, Changes in inventories of finished goods, employee benefit expenses, finance costs, Depreciation and Amortisation Expense and Other Expenses.

### ***Employee Benefit Expenses***

Our employee benefits expense comprises of Salaries and wages, Director Remuneration.

### ***Finance costs***

Finance cost comprises of Bank Guarantee commission and bank charges.

### ***Other Expenses***

Other expenses primarily include Manufacturing Expenses, Establishment Expenses and Selling and Distribution Expenses, etc.

### ***Provision for Tax***

The provision for current taxation is computed in accordance with relevant tax regulation. Deferred tax is recognized on timing differences between the accounting and the taxable income for the year and quantified using the tax rates and laws enacted or subsequently enacted as on balance sheet date. Deferred tax assets are recognized and carried forward to the extent that there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized in future.

## **Fiscal 2023 compared with fiscal 2022**

### ***Income***

The total income of our company for fiscal year 2023 was ₹3,028.81 lakhs against ₹3,443.55 lakhs total income for Fiscal year 2022. A decrease of 12.04% in total income. This decrease in the revenue from operations is mainly due to change in the strategy of the management to focus on high margin products and reduce the focus on low margin products.

### ***Expenditure***

#### ***Cost of raw materials consumed net of change in Inventory***

In Fiscal 2023, our Company incurred cost for raw materials consumed net of change in inventory ₹ 1559.61 lakhs against ₹2,006.70 lakhs expenses in fiscal 2022. A decrease of 22.28% can be explained due to our focus on selling high margin products where the cost of material is lower apart from the absolute declined in the sales value.

#### ***Employee Benefit Expenses***

In Fiscal 2023, our Company incurred for employee benefit expenses ₹ 108.41 lakhs against ₹ 123.53 lakhs expenses in fiscal 2022. A decrease of 12.23% is attributed to rationalisation of employees vis-à-vis change in the strategy of the management.

#### ***Finance Costs***

The finance costs for the fiscal 2023 was ₹0.23 lakhs while it was ₹1.40 lakhs for fiscal 2022. This cost mainly comprises of Bank Guarantee commission and Bank charges.

#### ***Other Expenses***

In fiscal 2023, our other expenses were ₹ 222.19 lakhs and ₹ 168.78 lakhs in fiscal 2022. An increase of 31.64% is mainly increase due to payment of interest on statutory dues.

### ***Profit/ (Loss) after Tax***

Profit after tax for the Fiscal 2023 was at ₹799.60 lakhs against profit after tax of ₹864.26 lakhs in fiscal 2022, this implies a profit margin of 26.40% in FY23 and 25.09% in FY22.

### **Fiscal 2022 compared with fiscal 2021**

#### ***Income***

The total income of our company for fiscal year 2022 was ₹3,443.55 lakhs against ₹1,587.13 lakhs total income for Fiscal year 2021, an increase of 116.97% in total income. This increase in the revenue from operations can be attributed to increase in overall demand post the Covid period in Fiscal 2021.

#### ***Expenditure***

##### ***Cost of raw materials consumed net of change in Inventory***

In Fiscal 2022, our Company incurred cost for raw materials consumed net of change in Inventory ₹ 2,006.70 lakhs against ₹1458.93 lakhs expenses in fiscal 2021, an increase of 37.55% is attributable to increase in sales.

##### ***Employee Benefit Expenses***

In Fiscal 2022, our Company incurred for employee benefit expenses ₹ 123.53 lakhs against ₹ 122.57 lakhs expenses in fiscal 2021, an increase of 0.78% due to increase in salary.

##### ***Finance Costs***

The finance costs for the fiscal 2022 was ₹1.40 lakhs while it was ₹6.19 lakhs for fiscal 2021. This decrease of 77.38% was due to decrease in bank charges.

##### ***Other Expenses***

In fiscal 2022, our other expenses were ₹ 168.78 lakhs and ₹ 147.42 lakhs in fiscal 2021, an increase of 14.49% due to increase in sales.

### ***Profit/ (Loss) after Tax***

Profit after tax for the Fiscal 2022 was at ₹864.26 lakhs against profit after tax of ₹ (223.69) lakhs in fiscal 2021, a 286.37% increase. This was due to jump in revenue post Covid period in fiscal 2021.

### **CASH FLOWS**

*(Amount ₹ in lakhs)*

Particulars	For the year ended March 31,		
	2023	2022	2021
Net Cash from Operating Activities	(23.18)	358.89	302.77
Net Cash from Investing Activities	(33.16)	316.13	(367.01)
Net Cash used in Financing Activities	(878.48)	290.33	43.32

#### ***Cash Flows from Operating Activities***

Net cash from operating activities for the year ended March 31, 2023 was ₹ (23.18) lakhs as compared to the Profit before Tax at ₹1068.53 lakhs. Net cash from operating activities for fiscal 2022 was at ₹358.89 lakhs as compared to the Profit before Tax at ₹ 1059.46 lakhs while for fiscal 2021, net cash from operating activities was at ₹ 302.77 lakhs as compared to the Profit before Tax at ₹ (227.17) lakhs.

#### ***Cash Flows from Investment Activities***

Net cash from investing activities for fiscal 2023 was at ₹ (33.16) lakhs. Net cash from investing activities for fiscal 2022 was at ₹ 316.13 lakhs due to acquisition of certain capital assets and further increase in advance for capital goods; while for fiscal 2021 net cash from investing activities was at ₹ (367.01) lakhs due to purchase of plant and machinery.

#### ***Cash Flows from Financing Activities***

Net cash flow from financing activities for the year ended March 31, 2023 was ₹ (878.48) lakhs due to repayment of long term borrowings. Net cash from financing activities for fiscal 2022 was at ₹ 290.33 lakhs due to availment of long term borrowings while for fiscal 2021, net cash from financing activities was at ₹43.32 lakhs also due to availment of long term borrowings.

## **OTHER MATTERS**

### **1. Unusual or infrequent events or transactions**

Except as described in this Draft Prospectus, during the periods under review there have been Covid-19 pandemic, 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 “*Financial Information*” and chapter titled “*Management’s Discussion and Analysis of Financial Conditions and Results of Operations*”, beginning on Page 134 and 170 respectively of this Draft Prospectus, to our knowledge there are no significant economic changes that materially affected or are likely to affect income from continuing Operations.

### **3. Known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations**

Other than as described in the chapter titled “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Conditions and Result of Operations*”, beginning on Page 21 and 170 respectively of this Draft Prospectus, best to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing operations.

### **4. Future relationship between Costs and Income**

Other than as described in the chapter titled “*Risk Factors*” beginning on Page 21 of this Draft Prospectus, best to our knowledge there are no factors, which will affect the future relationship between costs and income or which are expected to have a material adverse impact on our operations and finances.

### **5. Competition Conditions**

Our Industry is fragmented consisting of large established players and small niche players. We compete with organized as well as unorganized sector on the basis of availability of product, product quality and product range. Further, there are no entry barriers in this industry and any expansion in capacity of existing manufacturers would further intensify competition. Industry is very competitive and we expect competition to continue and likely to increase in the future.

## CAPITALISATOIN STATEMENT

The following table sets forth our capitalisation as at March 31, 2023, on the basis of our Restated Financial Statements:

*(in ₹ lakhs)*

Particulars	Pre-Issue as at March 31, 2023	As adjusted for the Issue
<b>Borrowings:</b>		
Short-term Debt (A)	0.00	[•]
Long-term Debt (B)	0.00	[•]
<b>Total Borrowings (C = A + B)</b>	<b>0.00</b>	<b>[•]</b>
<b>Shareholders' fund (Net worth)</b>		
Share capital (D)	1740.00	[•]
Other Equity (E)	95.33	[•]
<b>Total shareholders' fund (Net worth) (G) (G = (D + E) - F)</b>	<b>1835.33</b>	<b>[•]</b>
<b>Long term debt/ shareholders' fund ratio (B / G)</b>	<b>0.00</b>	<b>[•]</b>
<b>Total borrowings / shareholders' fund ratio (C/G)</b>	<b>0.00</b>	<b>[•]</b>

## SECTION VII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated in this section, there are no (i) outstanding criminal proceedings (ii) actions taken by statutory and/or regulatory authorities; (iii) outstanding claims related to direct or indirect taxes; (iv) other pending litigation/ arbitration as determined to be material by our Board as per the Materiality Policy, in each case involving our Company, Subsidiaries, Promoter or Directors (“Relevant Parties”); or (v) all litigations involving our Group Companies which have a material impact on the business operations, prospects or reputation of our Company. Further, except as stated in this section, there are no disciplinary actions including penalties imposed by SEBI or stock exchanges against our Company, Subsidiaries, Promoter or Directors in the last five Fiscals, including any outstanding action.*

*The details of the outstanding litigation or proceedings involving our Company, Subsidiaries/ Associate companies, Promoter and Directors are described in this section in the manner as set forth below. Pursuant to SEBI ICDR Regulations, for the purposes of disclosure, our Board on August 31, 2023, any outstanding litigation / arbitration proceedings involving our Company, Subsidiaries, Promoter and Directors shall be considered “material” for the purposes of disclosure in this Draft Prospectus, if: (a) The monetary amount of claim made by or against the entity or person in any such pending proceeding exceeds one per cent of the consolidated revenue from operations of our Company as per the Restated Financial Statements for March 31, 2023 is ₹ 3025.04 lakhs; (b) wherein a monetary liability is not quantifiable for any other outstanding proceeding, or which does not fulfil the financial threshold as specified in (a) above, but the outcome of which could, nonetheless, have a material adverse effect on the business, operations, performance, prospects or reputation of our Company.*

*Further, pre-litigation notices received by our Company, Promoter and Directors (excluding those notices issued by statutory, regulatory or tax authorities), unless otherwise decided by our Board, are not evaluated for materiality until such time that such parties are impleaded as defendants in litigation proceedings before any judicial forum. 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 a bearing on the operations or performance of our Company. We have also disclosed matters relating to direct and indirect taxes involving Company, Promoter and Directors in a consolidated manner giving details of number of cases and total amount involved in such claims.*

*Except as stated in this section, there are no outstanding material dues to creditors of our Company. For this purpose, our Board has considered and adopted a policy of materiality for identification of material outstanding dues to creditors. In terms of this materiality policy passed in the board meeting August 31, 2023, outstanding dues to any creditor of our Company having monetary value exceeding ₹ 151.25 lakhs, which is 5% of the total trade payables of our Company as on March 31, 2023, based on the Restated Financial Statements of our Company included in this Draft Prospectus, shall be considered as ‘material’. Accordingly, any outstanding dues exceeding ₹ 151.25 lakhs have been considered as material outstanding dues for the purpose of disclosure in this section. Further, for outstanding dues to any party which is a micro, small or medium enterprise (“MSME”), the disclosure will be based on information available with our Company regarding status of the creditor as defined under Section 2 of the Micro, Small and Medium Enterprises Act, 2006, as amended.*

*Unless stated to the contrary, the information provided below is as of the date of this Draft Prospectus. All terms defined herein in a particular litigation disclosure pertain to that particular litigation only.*

#### LITIGATIONS INVOLVING OUR COMPANY

##### A. Litigations against our Company

###### a) Criminal proceedings:

There are no pending Criminal proceedings instituted against the Company as on date of filing of this Draft prospectus.

###### b) Civil proceedings:

Our Company (“Defendant”) in the Application IDA No. 50/2021 filed by Mr. Bharat Baburao Champanerkar before the Hon’ble Labour Court, Thane against the Company alleging wrongful termination of employment, however the original complaint copies was not served upon our Company and ex-party proceedings took place which was challenged by our Company and therefore, the present application is due to be withdrawn by the Applicant on the next date i.e., 26.09.2023 and liberty has been granted to the Applicant to file fresh proceedings. The consideration amount is not ascertainable.

**c) Other material proceedings:**

Nil

**B. Litigations by our Company**

**a) Criminal proceedings:**

There are no Criminal proceedings instituted by the Company against any entity/person as on date of filing of this Draft prospectus.

**b) Civil proceedings:**

There are no Civil proceedings instituted by the Company against any entity/person as on date of filing of this Draft prospectus.

**C. Outstanding actions by statutory and regulatory authorities**

Nil

**D. Disciplinary action taken against our Company by SEBI or any stock exchanges**

No disciplinary action has been taken against our Company in the five Fiscals preceding the date of this Draft Prospectus either by SEBI or any stock exchange, or is currently outstanding.

**E. Claims related to direct and indirect taxes**

(In Lakhs)

Nature of case	Number of cases	Demand Involved(Rs.)
Direct Tax	2	136.87
Indirect Tax	-	-
<b>Total</b>	<b>2</b>	<b>136.87</b>

\*To the extent quantifiable and determinable

**F. Outstanding dues to Creditors**

Our Board, in its meeting held on March 31, 2023 has considered and adopted a policy of materiality for identification of material outstanding dues to creditors (“Materiality Policy”). In terms of the Materiality Policy, creditors of our Company to whom an amount exceeding 5% of the total trade payables as on March 31, 2023 as per Restated Financial Statements was outstanding, were considered to be ‘material’ creditors. As per the Restated Financial Statements, the total trade payables as on March 31, 2023, was ₹ 390.04 lakhs and accordingly, creditors to whom outstanding dues exceed ₹ 151.25 lakhs have been considered as material creditors for the purposes of disclosure in this Draft Prospectus.

The details of our outstanding dues owed to ‘material’ creditors, Micro, small or medium enterprises and other creditors as on March 31, 2023 by our Company are set out below:

(In Lakhs)

Particulars	Number of creditors	Amount Involved
Micro, small or medium enterprises	15	153.1718

Material creditors	1	-
Other creditors	70	236.87

The details pertaining to outstanding dues towards our material creditors are available on the website of our Company at [http://electroforceindia.com/material\\_creditors.html](http://electroforceindia.com/material_creditors.html). It is clarified that such details available on our website do not form a part of this Draft Prospectus. Anyone placing reliance on any other source of information.

## LITIGATIONS INVOLVING OUR PROMOTER AND DIRECTORS

### A. Litigations against our Promoter and Directors

#### a) Criminal proceedings:

1. Rajesh Mahadevrao Gajghate (the “Complainant”) had filed complaint (the “Complaint”) before the Hon’ble Court of Judicial Magistrate, First Class, Nagpur (the “Court”) seeking directions to Ambazari Police Station against our Promoter, Mr. Pravin Kumar Brijendra Kumar Agarwal and Directors of Garuda Amusements Park (Nagpur) Private Limited (the “Garuda Amusements Park”) (collectively, the “Accused”) for commission of offences punishable under Sections 295, 425, 120A, 120 of the Indian Penal Code and Section 3 of the Prevention of Damage to Public Property Act, 1984 by illegally demolishing Dr. Babasaheb Ambedkar Sanskrutik Bhawan which was located inside the premises where the Nagpur Project is proposed to be constructed by Garuda Amusements Park (Nagpur) Private Limited. The Complainant has alleged that the Accused have committed the offence punishable under Sections 295, 425, 120A, 120 of the Indian Penal Code and Section 3 of the Prevention of Damage to Public Property Act, 1984. Our Promoter, Mr. Pravin Kumar Brijendra Kumar Agarwal and the directors of Garuda Amusements Park (Nagpur) Private Limited have filed a Criminal Bail Application No. 1250 of 2023 before the Court disputing the allegations and seeking anticipatory bail. The Court granted anticipatory bail subject to the compliance of certain conditions. Further, our Promoter, Mr. Pravin Kumar Brijendra Kumar Agarwal and the directors of Garuda Amusements Park (Nagpur) Private Limited have filed a Criminal Application No. 973 of 2023 before the Hon’ble Nagpur High Court for quashing of the FIR filed by the Nagpur police in the matter. The Hon’ble Nagpur High Court has directed the police to continue investigation of the matter and obtain the leave of the court before filing of chargesheet against the Accused. The consideration amount is not ascertainable.
2. Prakash Trilokar (the “Complainant”) has filed a Miscellaneous Criminal Complaint No.13 of 2023 (the “Complaint”) before the Hon’ble Labour Court, Maharashtra at Mumbai (the “Labour Court”) against PKH Ventures Limited, our Promoter Mr. Pravin Kumar Brijendra Kumar Agarwal and of the Promoter Group member, Mrs. Jyotsna Agarwal (collectively, the “Accused”) to comply with the order passed by the Labour Court on November 21, 2022 (the “Order”) in respect of application filed by the Complainant against the Accused to grant of an interim relief under section 30(2) of the Maharashtra Recognition of Trade Unions and Prevention of Unfair Labour Practices Act, 1931. The Hon’ble Labour Court by way of the Order has granted the interim relief to the Complainant and has directed the Accused, (a) to deposit 50% monthly wages due to Complainant from June 2020 to November 2022 in the Labour Court within 60 days of the date of the Order; and (b) to deposit 50% monthly wages due to Complainant from December 2022 till the final order in this proceeding in the Labour Court. Thereafter, in compliance of the above Order, the Accused has deposited Rs. 6.93 Lakhs before the Hon’ble Labour Court towards wages due to Complainant from June 2020 till July 2023. The consideration amount is not ascertainable.
3. Satbir Nijjar (the “Complainant”) has filed a Complaint No. 151 of 2022 (the “Complaint”), before the Hon’ble Court of Chief Judicial Magistrate, Amritsar (the “Court”) against Mak Indian Township Private Limited, our Promoter, Mr. Pravin Kumar Brijendra Kumar Agarwal and others (collectively, the “Accused”). The Complaint is filed under Sections 406,420,120-B of Code of Criminal Procedure, 1973. However, no the copy of summons and/ or the Complaint has been received till date. The consideration amount is not ascertainable.

#### b) Civil proceedings:

There are no pending civil proceedings instituted against the Promoters and Directors as on date of filing of this Draft prospectus



**c) Other material proceeding:**

Nil

**B. Litigations by our Promoters and Directors**

**a) Criminal proceedings:**

There are no Criminal proceedings instituted by our promoters and Directors against any entity/person as on date of filing of this Draft prospectus.

**b) Civil proceedings:**

There are no Civil proceedings instituted by our promoters and Directors against any entity/person as on date of filing of this Draft prospectus.

**C. Outstanding actions by statutory and regulatory authorities**

Nil

**D. Disciplinary action taken against our Company by SEBI or any stock exchanges**

No disciplinary action has been taken against our Company in the five Fiscals preceding the date of this Draft Prospectus either by SEBI or any stock exchange, or is currently outstanding.

**E. Claims related to direct and indirect taxes**

(Rs. In Lakhs)

Nature of case	Number of cases	Demand Involved
Pravin Kumar Agarwal		
Direct Tax	9	40.45

\*To the extent quantifiable and determinable

**III. LITIGATION INVOLVING OUR GROUP COMPANIES:**

**A. Litigations against our Group Companies**

**a) Criminal proceedings:**

**MakIndian Township Private Limited**

Satbir Nijjar (the “Complainant”) has filed a complaint (151 of 2022) (the “Complaint”), before the Hon’ble Court of Chief Judicial Magistrate, Amritsar (the “Court”) against Makindian Township Private Limited, our Promoter, Mr. Pravin Kumar Brijendra Kumar Agarwal and others (collectively, the “Accused”). The Complaint is filed under Sections 406,420,120-B of Code of Criminal Procedure, 1973. However, no copy of summons and/ or the Complaint has been received till date. The consideration amount is not ascertainable.

**b) Civil proceedings:**

**I. Artemis Electricals & Projects Limited (Formerly known as Artemis Electricals Limited)**

1. In the Petition No. 40/2022 filed before the MSME Facilitation Council, Thane wherein M/s Aakar Enterprises (Petitioner) has filed for arbitration proceedings against Artemis Electricals & Projects Limited, the Petitioner has claimed that there are pending dues payable by Artemis Electricals & Projects Limited. Presently the proceedings are at a stage where on the last date i.e., on 23.08.2023 Artemis Electricals & Projects Limited through its Counsel has filed their Reply to the Claim/Petition of the Petition and the Petitioner has been given the option to file their Rejoinder to the same till the next date, which has not been notified yet. The consideration amount involved is Rs. 3532063.15/- (Rs. Thirty Five Lakhs Thirty Two Thousand Sixty Three Rupees And Fifteen Paise Only).
2. In the Commercial Suit (L) No. 13331/2023 filed by Artemis Electricals & Projects Limited against M/s Shubh Die Castings Private Limited (Respondent) before the Hon’ble Bombay High Court, Artemis Electricals & Projects Limited has sought relief of recovery of assets that are under the possession of the Respondent.

Presently, the proceedings are yet to be listed before the Hon'ble Court and are at 'Pre-Admission' stage. The consideration amount involved is Rs. 2,00,00,000. (Rupees Two Crores Only).

3. In the Petition No. 003/2022 filed before the MSME Facilitation Council, Thane wherein M/s Bharat Wire Industries (Petitioner) has filed for arbitration proceedings against Artemis Electricals & Projects Limited, the Petitioner has claimed that there are pending dues payable by Artemis Electricals & Projects Limited. Presently the proceedings are at a stage where on the last date i.e., on 23.08.2023 Artemis Electricals & Projects Limited through its Counsel has filed their Reply to the Claim/Petition of the Petition and the Petitioner has been given the option to file their Rejoinder to the same till the next date, which has not been notified yet. The consideration amount involved is Rs. 12,43,922/- (Rupees Twelve Lakhs Forty Three Thousand Nine Hundred And Twenty Two Only).
4. In the Petition No. 36/2022 filed before the MSME Facilitation Council, Thane wherein M/s Shubh Die Castings Private Limited (Petitioner) has filed for arbitration proceedings against Artemis Electricals & Projects Limited, the Petitioner has claimed that there are pending dues payable by Artemis Electricals & Projects Limited. Presently the proceedings are at a stage where on the last date i.e., on 23.08.2023 the Company through its Counsel has filed their Reply to the Claim/Petition of the Petition and the Petitioner has been given the option to file their Rejoinder to the same till the next date, which has not been notified yet. The consideration amount involved is Rs. 1,30,65,655 (Rupees 1 Crore Thirty Lakhs Sixty Five Thousand Six Hundred and Fifty Five Only).
5. In the Company Petition (IB) No. 257/2022, Accurex Technologies PTE Limited (Operational Creditor) has filed a Section 9 application against Artemis Electricals & Projects Limited before the Hon'ble National Company Law Tribunal, Mumbai alleging non-payment of dues for services/products provided to Artemis Electricals & Projects Limited. However, the any business transaction between the Operation Creditor and Artemis Electricals & Projects Limited has been completely denied by the Company. Presently, the matter is listed for final hearing on 13.10.2023. The consideration amount involved is Rs. 1,04,83,931.32/- (Rupees One Crore Four Lakhs Eighty Three Thousand Nine Hundred Thirty One and Paise Thirty Two Only).

### **II. Garuda Construction and Engineering Private Limited**

Garuda Construction and Engineering Private Limited has taken over a redevelopment project in the capacity of the Joint Developer, wherein M/s. Generic Engineering Construction & Project Limited is the Developer in the project, appointed through Consent Terms dated 08.10.2021 signed between the Sharifabai Kutubuddin Wakf-ul-Aulad Trust (Land Owner) and Commercial & Residential Tenants who resided on the project land. By way of the signed Consent Terms, the Trust & Tenants were to receive arrears of rents and future rents from the Developer post deduction and payment of statutory dues payable in respect of the project land. However, since the Municipal Corporation of Greater Mumbai (MCGM) and Brihanmumbai Municipal Corporation (BMC) did not provide the exact figures of the statutory dues payable, rents and statutory liabilities were stuck along with the project. Therefore, the Commercial Tenants, Residential Tenants and the Trust have preferred Interim Application (L) Nos. 4724/2023, 469/2023 and 15025/2023 in the Commercial Suit No. 198/2021 have been filed before the Hon'ble Bombay High Court for recovery of arrears of rents and future rents wherein the Hon'ble Court has made BMC a party to the proceedings and ordered them to be present on the **next** date of hearing, which is on 27.09.2023. The total consideration amount involved in all the cases is Rs. 1,79,89,457 (Rupees One Crore Seventy Nine Lakhs Eighty Nine Thousand Four Hundred and Fifty Seven Only).

### **III. MakIndian Township Private Limited**

Joginder Singh and others (collectively, the "Plaintiffs") has filed a suit (the "Suit"), before the Hon'ble Court of Civil Judge (Senior Division), Amritsar (the "Court") against one of our Subsidiary, Makindian Township Private Limited and Sunil Kumar (collectively, the "Defendants"). The Suit is filed for imposing permanent injunction and to restrain Defendants from carrying out any construction or creating any obstruction in the common passage in Khasra Nos. 149 and 150 adjacent to property of Plaintiffs. The Suit is pending before the Hon'ble Court. The consideration amount is not ascertainable.

### **IV. Golden Chariot Hospitality Services Private Limited**

1. In Complaint (ULP) No. 160/2022, Mr. Balaji Harishchandra Jadhav (Complainant) has filed a complaint against Golden Chariot Hospitality Services Private Limited alleging wrongful termination of employment. Presently, the interim application of the Complainant for interim reliefs has been argued upon by both the parties and is reserved for pronouncement of order on 22.09.2023. The consideration amount is not ascertainable.
2. In the matter of L.D. Suit No. 26/2019 has filed before the Hon'ble Small Causes Court, Bandra by Golden Chariot Hospitality Services Private Limited against M/s Grauer & Well (Indian) Limited (Defendant) for the restoration of possession of the Licensed Premises owned by the Defendant wherein Golden Chariot

Hospitality Services Private Limited was the Licensee, however, was illegally terminated during the pendency of the License Agreement by the Defendant. Therefore, Golden Chariot Hospitality Services Private Limited has preferred the present suit. However, the matter is presently stayed since the similar subject matter is pending and being heard for the purpose of specific performance before the Hon'ble City Civil Court, Dindoshi. The consideration amount involved is 3,99,381/- (Rupees Three Lakh Ninety Nine Thousand Three Hundred and Eighty One Only).

3. In the S.C. Suit No. 571/2019 filed before the Hon'ble City Civil Court, Dindoshi filed by Golden Chariot Hospitality Services Private Limited against M/s Grauer & Well (Indian) Limited (Defendant) filed for the specific performance under Section 6 of the Specific Relief Act, 1963 for avoidance of creation of any third party rights over the License Property over which Golden Chariot Hospitality Services Private Limited has rights as the Licensee through License Agreement executed between both the parties. Presently, the matter is posted on 12.09.2023 for framing of issues. The consideration amount involved is 3,99,381/- (Rupees Three Lakh Ninety Nine Thousand Three Hundred and Eighty One Only).
4. In the matter of L.E.C. Suit No. 45/2021 filed before the Hon'ble Small Causes Court, Bandra filed by the M/s Grauer & Well (Indian) Limited (Plaintiff) against Golden Chariot Hospitality Services Private Limited under Section 41 of the P.S.C.C. Act, 1872 for seeking compensation of alleged non-payment of license fees. Presently, the matter is pending for hearing and is posted on 27.09.2023. The consideration amount involved is Rs. 31,43,648/- (Thirty One Lakhs Forty Three Thousand Six Hundred and Forty Eight Only).
5. In the matter of Writ Petition (L) No. 105/2017 filed before the Hon'ble Bombay High Court by Golden Chariot Hospitality Services Private Limited challenging the State of Maharashtra and seven other respondents, seeking judicial review or redress of certain legal issues or grievances against the Statutory Authorities. Presently, the matter is pending and is in Pre-Admission stage. The consideration amount is not ascertainable.

**c) Other material Proceedings:**

Nil

**B. Litigations by our Group Companies**

**a) Criminal proceedings:**

There are no Criminal proceedings instituted by our Group Companies against any entity/person as on date of filing of this Draft prospectus.

**b) Civil proceedings:**

There are no Civil proceedings instituted by our Group Companies against any entity/person as on date of filing of this Draft prospectus.

**C. Outstanding actions by statutory and regulatory authorities**

Nil

**D. Disciplinary action taken against our Group Company by SEBI or any stock exchanges**

No disciplinary action has been taken against our Group Company in the five Fiscals preceding the date of this Draft prospectus either by SEBI or any stock exchange, or is currently outstanding.

**F. Claims related to direct and indirect taxes**

(In Lakhs)

Nature of case	Number of cases	Demand Involved(Rs.)
Direct Tax	5	59.11
Indirect Tax	3	60.43
<b>Total</b>	<b>8</b>	<b>119.54</b>

\*To the extent quantifiable and determinable

## GOVERNMENT AND OTHER STATUTORY APPROVALS

*We are required to obtain consents, licenses, registrations, permissions and approvals for carrying out our present business activities. Our Company and our Subsidiary has obtained the necessary material consents, licenses, permissions and approvals from the Government and various Government agencies required for our present business and carrying on our business activities. For details in connection with the regulatory and legal framework within which we operate, please refer the chapter “Key Industrial Regulations and Policies” on page 88 of this Draft Prospectus. The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to carry out its activities.*

*The following statements set out the details of licenses, permissions and approvals taken by our Company and our Subsidiary under various central and state laws for carrying out the business:*

### ***I. Approvals for the Issue***

1. Our Board has pursuant to a resolution passed at its meeting dated on August 31, 2023, under Section 62(1)(c) of the Companies Act 2013, authorized the Fresh Issue of Equity Shares, subject to the approval of the shareholders and such other authorities as may be necessary.
2. Our Shareholders have pursuant to a special resolution passed at their meeting dated September 01, 2023 under Section 62(1)(c) and other applicable provisions of the Companies Act 2013, authorized the Fresh Issue of Equity Shares.
3. Our Company has obtained an approval from the Emerge Platform of National Stock Exchange of India Limited for listing our Equity Shares through their Letter dated [•] bearing reference number [•]
4. The Company's International Securities Identification Number (“ISIN”) is INE0Q1W01012.

### ***A. Licenses and Approvals obtained by our Company***

#### ***I. General Approvals***

- a) Certificate of incorporation dated June 14, 2010 under the Companies Act, 2013 issued by the Deputy Registrar of Companies, Mumbai.
- b) Fresh Certificate of Incorporation dated May 11, 2023 under the name of “Electro Force India Limited” was issued by the Registrar of Companies, Mumbai, upon name change of the company from “Electro Force India Private Limited” to “Electro Force (India) Limited”.
- c) The Corporate Identity Number (CIN) of the Company is U51909MH2010PLC204214.

### ***II. Tax Related Approvals***

- a) Our Company’s permanent account number issued by the Income Tax Department is AACCE4328E.
- b) Our Company’s tax deduction and collection number dated February 4, 2020 issued by the Income Tax Department is: MUME08638A.
- c) Professional tax registration certificate bearing number 27680792064P issued under the Maharashtra State Tax on Professions, Trades, Callings and Employment Act, 1975.
- d) Our Company’s Goods and Service Tax Registration number issued by Government of India is 27AACCE4328E1ZX.

### ***III. Business Related Approvals***

As mentioned hereinabove, we require various approvals, licenses, registrations and permits to carry on our operations in India. Some of these may expire in the ordinary course of business and applications for renewal of such approvals are submitted in accordance with applicable procedures and requirements. An

indicative list of the material approvals required by our Company for conducting our operations is provided below.

Sr. No.	Type of License/Approval	Issuing Authority	Reference Registration License No.	Date of Issue/Renewal	Valid up to
1.	Factory License	Directorate of industrial Safety & Health office, Government of Maharashtra	Licence Number: 10031049 Registration Number: 12320310010E-00	May 19, 2023	December 31, 2030
2.	Certificate issued for certifying that our Company is compliant with quality management system of ISO 9001:2015	BQSR Quality Assurance Private Limited	Certificate No: IN2020Q10029	February 06, 2023	February 07, 2024
3.	ESIC	Employee State Insurance Corporation	Allotted Code No.: 35000317300000602	September 08, 2011	Valid till Cancel
4.	EPFO	Office of the Regional Provident Fund Commissioner	Receipt No: MH/213893	June 01, 2011	Valid till Cancel
5.	Udyam registration certificate	Ministry of Micro, Small and Medium Industries, Government of India	UDYAM-MH-33-0059166	February 02, 2021	Valid till Cancel

**IV. Intellectual Property Related Approvals**

As on date of this Draft Prospectus, our Company has not applied for or availed any intellectual property approvals.

**V. Licenses/ Approvals for which applications have been made by our Company and are pending:**

Except Below There is no Application for any License/Government approval is pending as on date of this Draft Prospectus.

Sr.	Type of License/Approval	Issuing Authority	UAN No.	Date of Application
1.	Pollution Control	Maharashtra Pollution Control Board	MPCB-CONSENT-0000143142	July 06, 2022

**VI. Licenses / approvals which have expired and for which renewal applications have not been made by our Company.**

NIL

**VII. Licenses / Approvals which are required but not yet applied for by our Company:**

NIL

## SECTION VIII - OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

The Offer has been authorized by a resolution of our Board dated August 31, 2023, and a special resolution of our Shareholders, dated September 01, 2023 in terms of Section 23, 62(1)(c) and all other applicable provisions, if any of the Companies Act. Further, our Board has taken on record the consent of the Selling Shareholder to participate in the Offer for Sale, pursuant to its resolution dated August 31, 2023.

Our Company has obtained in-principle approval from the Emerge Platform of NSE for using its name in the Draft Prospectus/Prospectus pursuant to letter dated [●]. NSE is the Designated Stock Exchange.  
Authority for the Offer

### Authorisation by Selling Shareholder

The Selling Shareholder has, confirmed, and approved their participation in the Offer for Sale in relation to their respective portion of Offered Shares as follows:

of the Shareholder	Name Selling	Number of Equity Shares Offered	% of existing shareholding in the total Shareholding	Date of Resolution
Ayesspea Holdings and Investments Private Limited	Private	Upto 26,75,000 Equity Shares aggregating up to ₹ [●] Lakhs	15.37%	August 31, 2023

The Selling Shareholder has confirmed that the Equity Shares proposed to be offered and sold in the Offer are eligible in term of SEBI ICDR Regulations and the Equity Shares offered and sold are free from any lien, encumbrance or third-party rights. The Selling Shareholder have also confirmed that they are the legal and beneficial owner of the Equity Shares being offered by them under the Offer for Sale.

### Prohibition by the SEBI or other Governmental Authorities

We confirm that Our Company, our Promoters, our Promoter Group, our Directors, Person in control of our Company, have not been prohibited from accessing the capital market for any reason or restrained from buying, selling or dealing in securities, under any order or directions by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.

We also confirm that our Promoters, Directors or Group Companies 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 debarred from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Further, none of our Directors are or were associated with any entities which are engaged in securities market related business and are or registered with SEBI for the same. We, further confirm that none of our Company, its Promoters, relatives of Promoters (as defined under Companies Act, 2013) its Directors and its Group Companies have been identified as willful defaulters or fraudulent borrowers by the RBI or other authorities.

The listing of any securities of our Company has never been refused by any of the Stock Exchanges in India.

Further, none of our Promoters or Directors are declared as fugitive economic offenders under Fugitive Economic Offenders Act, 2018.

### Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, its Promoters and Promoter Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 ("SBO Rules"), to the extent applicable, as on the date of the Draft Prospectus.

### Association with Securities Market

None of our Directors in any manner are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as promoters or directors.

### **Prohibition by RBI**

Neither our Company, our subsidiary, our Promoters, our Directors, the relatives (as defined under the Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a wilful defaulter or a fraudulent borrower by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided in the chapter “*Outstanding Litigations and Material Development*” beginning on page 180 of the Draft Prospectus.

### **Eligibility for the Issue**

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:

- Neither our company, nor any of its promoters, promoter group or directors are debarred from accessing the capital market by the Board.
- Neither our promoters, nor any director of our company is a promoter or director of any other company which is debarred from accessing the capital market by the Board.
- Neither our Promoters nor any of our directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoters, relatives (as defined under the Companies Act, 2013) of our Promoters nor our directors, are Wilful Defaulters or a fraudulent borrower.
- Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue face value paid-up capital will be more than 10 Crores but less than 25 Crores and can issue Equity Shares to the public and propose to list the same on the EMERGE Platform of National Stock Exchange of India Limited.

Our Company is in compliance with the following conditions specified in Regulation 230 of the SEBI Regulations, 2018 to the extent applicable.

- 1) The Draft Prospectus has been filed with NSE and our Company has made an application to NSE for listing of its Equity Shares on the Emerge Platform of NSE. NSE is the Designated Stock Exchange;
- 2) Our Company has entered into an agreement with NSDL and CDSL for dematerialization of its Equity Shares already issued and proposed to be issued.
- 3) The Equity Shares of our Company are fully paid and there are no partly paid-up Equity Shares as on the date of filing this Draft Prospectus;
- 4) The entire Equity Shares held by our Promoters will be in dematerialized form before opening of the Issue for subscription.
- 5) The requirement of firm arrangements of finance through verifiable means towards seventy five per cent of the stated means of finance for funding from the issue proceeds, excluding the amount to be raised through the proposed public offer or through existing identifiable internal accruals is not applicable to our Company. For details, please refer the chapter “Objects of the Issue” on page no. 65 of this Draft Prospectus;
- 6) The amount dedicated for general corporate purposes, as mentioned in “Objects of the Issue” on page no. 65 of this Draft Prospectus, does not exceeding twenty-five per cent (25%) of the amount being raised by the Issuer.

We further confirm that **in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, we confirm that:**

- i. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue is 100% underwritten and that the Lead Manager to the Issue shall underwrite minimum 15% of the Total Issue Size.

- ii. In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottee's in the issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded within 4 (Four) days of such intimation. If such money is not repaid within 4 (Four) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 4 (Four) days, be liable to repay such application money, with interest at the rate 15% per annum. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
- iii. In terms of Regulation 246 (1) of the SEBI (ICDR) Regulations, 2018, a copy of the Draft Prospectus will be filed with the SEBI through the Lead Manager immediately upon filing of the offer document with the Registrar of Companies.

However, as per Regulation 246 (2) of the SEBI (ICDR) Regulations, 2018, The SEBI shall not issue any observation on the offer document.

Further, in terms of Regulation 246 (3) of the SEBI (ICDR) Regulations, 2018 the lead manager will also submit a due diligence certificate as per format prescribed by SEBI along with the Draft Prospectus to SEBI.

Further, in terms of Regulation 246 (4) of the SEBI (ICDR) Regulations, 2018 the Draft Prospectus will be displayed from the date of filling in terms of sub-regulation (1) on the website of the SEBI, The Lead Manager and the EMERGE Platform of NSE. Moreover, in terms of Regulation 246 (5) of the SEBI (ICDR) Regulations, 2018, a copy of prospectus shall also be furnished to the SEBI in a soft copy.

- iv. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement dated [●] with the Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the EMERGE Platform of NSE.

**In terms of Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, We confirm that we have fulfilled eligibility criteria for EMERGE Platform of NSE, which are as under**

- ***Incorporation: The Issuer should be a company incorporated under the Companies Act 1956 / 2013 in India.***

Our Company was incorporated on February 14, 2010 incorporated under the Companies Act, 1956 in India.

#### **Track Record**

- The Company has a track record of 3 years of existence as on the date of filing of this Draft Prospectus.
- ***Post Issue Paid up Capital: The post issue paid up capital of the company (face value) shall not be more than Rs. 25 crores.***

The post issue paid up Equity capital of the company will be ₹ [●] lakhs. Which shall not be more than ₹ 2500.00 lakhs.

- ***Net-worth: Positive Net-worth.***

As per restated financial statement, the net-worth of the company is Rs. 1835.33 Lakhs as on March 31, 2023. Our company has positive net-worth. So, the company has fulfilled the criteria of positive net-worth of the company.

- ***Operating Profit (earnings before interest, depreciation and tax) from operations for atleast 2 (two) out of 3 (three) financial years:***

Our company is having operating profit, details are mentioned as below

(Amount in Lakhs)



Cash Accruals	As on March 31,		
	2023	2022	2021
Profit Before Tax	1,068.53	1,059.46	(227.17)
Add: Depreciation	69.84	83.69	79.20
Add: Finance cost	0.23	1.40	6.19
Less: Other Income	3.78	3.90	12.85
<b>Positive Cash Accruals (Earnings Before Depreciation and Tax)</b>	<b>1,134.82</b>	<b>1,140.65</b>	<b>(154.63)</b>

- Our Company has not been referred to erstwhile Board for Industrial and Financial Reconstruction (BIFR) and no proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies
- Our Company has not received any winding up petition admitted by a NCLT/Court.
- No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the applicant company.
- The Company has a website: [www.electroforce.com](http://www.electroforce.com)
- There is no winding up petition against our Company, which has been admitted by the court. Also, no liquidator has been appointed.
- There is no change in the promoter/s of the Company in the preceding one year from date of filing application with Emerge Platform of NSE.
- Our Company has entered into the tripartite agreements with NSDL & CDSL along with our Registrar for facilitating trading in dematerialized mode.

#### Other Disclosures:

We further confirm that:

- There is no material regulatory or disciplinary action taken by a stock exchange or regulatory authority in the past one year in respect of promoters/promoting Company(ies), group companies, companies promoted by the promoters/promoting companies of the Issuer Company.
- There is no default in payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, FIs by the Company, promoters/promoting Company(ies), group companies, companies promoted by the promoters/promoting Company(ies) during the past three years.
- There are no litigations record against the applicant, promoters/promoting company(ies), group companies, companies & promoted by the promoters/promoting company(ies). except disclosed in outstanding litigation and material developments.
- There are no criminal cases/investigation/offences filed against the director of the company.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

#### DISCLAIMER CLAUSE OF SEBI

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF DRAFT PROSPECTUS TO SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT PROSPECTUS. THE LEAD MERCHANT BANKER, FIRST OVERSEAS CAPITAL LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT PROSPECTUS, THE LEAD MERCHANT BANKER IS EXPECTED**

TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKER, FIRST OVERSEAS CAPITAL LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 11, 2023 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.

THE DUE DILIGENCE CERTIFICATE FURNISHED WITH SEBI BY THE LEAD MANAGER IS REPRODUCED BELOW:

“WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE-MENTIONED FORTHCOMING ISSUE STATE AND CONFIRM AS FOLLOWS:

- 1) WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION INCLUDING COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC., AND OTHER MATERIAL WHILE FINALISING THE PROSPECTUS OF THE SUBJECT ISSUE;
- 2) ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION, CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
  - 1) THE PROSPECTUS FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS WHICH ARE MATERIAL TO THE ISSUE;
  - 2) ALL THE MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE, AS SPECIFIED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA, THE CENTRAL GOVERNMENT AND ANY COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
  - 3) THE MATERIAL DISCLOSURES MADE IN THE PROSPECTUS ARE TRUE AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELLINFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
- 3) BESIDES OURSELVES, ALL INTERMEDIARIES NAMED IN THE PROSPECTUS ARE ALSO REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.
- 4) WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS – *NOTED FOR COMPLIANCE*.
- 5) WRITTEN CONSENT FROM THE PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF THE PROMOTER’S CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF THE PROMOTER’S CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED OR SOLD OR TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE PROSPECTUS WITH SEBI TILL THE DATE OF COMMENCEMENT OF THE LOCK- IN PERIOD AS STATED IN THE PROSPECTUS.
- 6) ALL APPLICABLE PROVISIONS OF THESE REGULATIONS, WHICH RELATE TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS’ CONTRIBUTION, HAVE BEEN AND SHALL BE DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION(S) HAVE BEEN MADE IN THE PROSPECTUS.

- 7) ALL APPLICABLE PROVISIONS OF THESE REGULATIONS WHICH RELATE TO RECEIPT OF PROMOTERS' CONTRIBUTION PRIOR TO OPENING OF THE ISSUE, SHALL BE COMPLIED WITH. ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE AND THAT THE AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD.

WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE ISSUE- NOT APPLICABLE AS THE PROMOTERS CONTRIBUTION HAS ALREADY BEEN DEPLOYED.

- 8) NECESSARY ARRANGEMENTS SHALL BE MADE TO ENSURE THAT THE MONIES RECEIVED PURSUANT TO THE ISSUE ARE CREDITED OR TRANSFERRED TO IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONIES SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES, AND THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION- NOTED FOR COMPLIANCE- AS PER TRI-PARTITE AGREEMENT WITH BANKERS TO THE ISSUE.
- 9) THE EXISTING BUSINESS AS WELL AS ANY NEW BUSINESS OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED FALL WITHIN THE 'MAIN OBJECTS' IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED IN THE LAST TEN YEARS ARE VALID IN TERMS OF THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION.
- 10) IN CASE OF A RIGHTS ISSUE DISCLOSURE HAS BEEN MADE IN THE DRAFT LETTER OF OFFER THAT INVESTORS SHALL BE GIVEN AN OPTION TO RECEIVE THE SHARES IN DEMAT OR PHYSICAL MODE – NOT APPLICABLE.
- 11) FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT OFFER DOCUMENT/ DRAFT LETTER OF OFFER:
- a) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER – NOTED
  - b) AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH ALL DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD – NOTED
- 12) WE SHALL COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENTS IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 – NOTED FOR COMPLIANCE
- 13) IF APPLICABLE, THE ENTITY IS ELIGIBLE TO LIST ON THE INSTITUTIONAL TRADING PLATFORM IN TERMS OF THE PROVISIONS OF CHAPTER X OF THESE REGULATIONS – NOT APPLICABLE.
- 14) WE ENCLOSE A NOTE EXPLAINING THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US INCLUDING IN RELATION TO THE BUSINESS OF THE ISSUER, THE RISKS IN RELATION TO THE BUSINESS, EXPERIENCE OF THE PROMOTERS AND THAT THE RELATED PARTY TRANSACTIONS ENTERED INTO FOR THE PERIOD DISCLOSED IN THE OFFER DOCUMENT HAVE BEEN ENTERED INTO BY THE ISSUER IN ACCORDANCE WITH APPLICABLE LAWS – NOTED FOR COMPLIANCE.
- 15) WE ENCLOSE A CHECKLIST CONFIRMING REGULATION WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THESE REGULATIONS, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT OFFER DOCUMENT/DRAFT LETTER OF OFFER WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY – NOTED FOR COMPLIANCE.

**ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY LEAD MANAGER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE**

- 1) WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
- 2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN THIS PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THE ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN. - NOTED FOR COMPLIANCE
- 3) WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. - NOTED FOR COMPLIANCE
- 4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER. - NOTED FOR COMPLIANCE
- 5) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 261 AND 262 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, HAVE BEEN MADE.
- 6) WE CONFIRM THAT THE ISSUER HAS REDRESSED AT LEAST NINETY FIVE PERCENT OF THE COMPLAINTS RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEDING THE MONTH OF THE FILING OF THE OFFER DOCUMENT WITH REGISTRAR OF COMPANIES. - NOTED FOR COMPLIANCE

*Note:*

*All legal requirements pertaining to the Issue will be complied with at the time of registration of the Draft Prospectus with the Registrar of Companies, Ahmedabad in terms of sections 26, 32 and 33 of the Companies Act,*

**Disclaimer from our Company and the Lead Manager**

Our Company and the Lead Manager accept no responsibility for statements made otherwise than those contained in this Draft Prospectus or, in case of the Company, in any advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information would be doing so at their own risk.

The LM accepts no responsibility, save to the limited extent as provided in the Agreement entered between the LM and our Company on September 08, 2023 and the Underwriting Agreement dated [●] entered into between the Underwriters and our Company and the Market Making Agreement dated [●] entered into among the Market Maker and our Company.

All information shall be made available by our Company and the Lead Manager to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Lead Manager and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our subsidiary, our Promoter Group, Group Entities, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

## **Disclaimer in Respect of Jurisdiction**

The Issue is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, VCFs, FVCIs, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), NBFCs or trusts under registered applicable trust law and who are authorised under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, insurance funds set up and managed by army, navy or air force of Union of India, insurance funds set up and managed by the Department of Posts, GoI and permitted non-residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) at Gujarat, India only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft 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 Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

**The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.**

**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.**

Applicants are advised to ensure that any Applications from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Applicant where required must agree in the Allotment Advice that such Applicants will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

## **Disclaimer Clause of the Emerge Platform of NSE**

“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: [•] dated [•] permission to the Issuer to use the Exchange’s name in this Offer Document as one of the stock exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”

## **DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT**

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the “Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur. The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

## TRACK RECORDS OF PAST ISSUES HANDLED BY FIRST OVERSEAS CAPITAL LIMITED

For details regarding the track record of the First Overseas Capital Limited, as specified under Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer to the website of First Overseas Capital Limited at [www.focl.in](http://www.focl.in)

## PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

**TABLE 1**

Sr. No.	Issue Name	Issue Size (Rs. Cr.)	Issue Price (Rs.)	Listing Date	Opening 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
1)	QMS Medical Allied Services Limited	56.87	121.00	11-10-2022	128.00	+51.86(6.07)	+47.99(+6.30)	+4.24(4.72)
2)	SVS Ventures Limited	11.24	20.00	12-01-2023	20.50	-43.17(0.79)	-64.88(0.73)	-59.46(+9.44)
3)	Ducol Organics And Colours Limited	31.51	78.00	19-01-2023	111.95	-9.57(-0.27)	+10.72(-2.12)	+54.89(+9.75)
4)	SVJ Enterprises Limited	6.12	36.00	09-03-2023	38.00	-18.31(0.07)	+19.58(+5.58)	N.A.
5)	Amanaya Ventures Limited	2.76	23.00	09-03-2023	20.10	-30.31(0.07)	-23.66 (+5.58)	N.A.
6)	Nirman Agri Genetics Limited	20.30	99.00	28-03-2023	102.00	-24.20(+5.27)	+24.99 (+9.30)	N.A.
7)	Kore Digital Limited	18.00	180.00	14-06-2023	201.00	-58.10(+4.48)	N.A.	N.A.
8)	Cell Point (India) Limited	50.34	100.00	28-06-2023	100.00	-52.21(+3.51)	N.A.	N.A.
9)	Synoptics Technologies Limited	54.04	237.00	13-07-2023	238.00	-45.05(-0.24)	N.A.	N.A.
10)	Pyramid Technoplast Limited	1530.52	166	29-08-2023	187.00	N.A.	N.A.	N.A.

**Note:-**

1. The BSE Sensex and Nifty are considered as the Benchmark Index
2. Prices on BSE/NSE are considered for all of the above calculations
3. In case the 30th/90th/180th day is a holiday, closing price on BSE/NSE of the previous trading day has been considered.
4. In case 30th/90th/180th days, scrips are not traded then closing price on BSE/NSE of the previous trading day has been considered.

**TABLE 2: SUMMARY STATEMENT OF DISCLOSURE**

Financial Year	Total no. Of IPOs	Total amount of funds raised (Rs. Cr.)	No. of IPOs trading at discount-30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium-30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount-180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium-180 <sup>th</sup> calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2023-24*	4	1652.90	2	1	-	-	-	-	-	-	-	-	-	-
2022-23	10	193.93	-	4	3	3	-	-	2	1	-	3	-	1
2021-22	4	96.13	1	1	-	2	-	-	2	-	-	1	1	-

\* Upto date of this Draft Prospectus



## **Filing**

This Draft Prospectus is being filed with National Stock Exchange of India Limited, at Exchange Plaza, Plot no. C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai – 400051.

Pursuant to Regulation 246(5) of SEBI (ICDR) Regulations, 2018, the copy of the Draft Prospectus shall also be furnished to the SEBI in a soft copy. However, SEBI will not issue any observation on the Draft Prospectus in terms of Regulation 246(2) of the SEBI (ICDR) Regulations, 2018. Pursuant to SEBI Circular No SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, a copy of the Draft Prospectus and Prospectus will be filed online through SEBI Intermediary portal at <https://sportal.sebi.gov.in>.

A copy of the Draft Prospectus, along with the documents required to be filed under Section 26 and Section 28 of the Companies Act, 2013 would be delivered for registration to the Registrar of Companies, Mumbai.

## **Listing**

Application will be made to the NSE for obtaining permission to deal in and for an official quotation of our Equity Shares. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The Emerge Platform of NSE has given its in-principle approval for using its name in our Offer documents vide its letter [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of NSE, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Draft Prospectus. If such money is not repaid within Four days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of fourth days, be liable to repay the money, with interest at the rate of 15 per cent per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE mentioned above are taken within six Working Days from the Issue Closing Date

## **IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447.”

The liability prescribed under Section 447 of the Companies Act, 2013, includes imprisonment for a term of not less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

## **Consents**

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Our Peer Review Auditor, Our Banker(s) to the Company; (b) Lead Manager, Registrar to the Issue, Banker(s) to the Issue\*, Legal Advisor to the Issue, Underwriter(s) to the Issue\* and Market Maker to the Issue\* to act in their respective capacities have been obtained as required under section 26 and Section 28 of the Companies Act, 2013 and shall be filed along with a copy of the Prospectus with the RoC, as required under Sections 26 and Section 28 of the Companies Act, 2013 and such consents will not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC.

\* *The consent will be taken while registering the Prospectus with RoC.*

Our Company has received written consent dated August 31, 2023 from the Statutory Auditors to include their name as required under Section 26(5) of the Companies Act 2013 read with SEBI ICDR Regulations in this Draft Prospectus as an “expert” as defined under Section 2(38) of the Companies Act 2013 to the extent and in its capacity as an independent Statutory Auditor and in respect of its (i) examination report dated August 31, 2023 on our restated consolidated financial information; and (ii) its report dated August 31, 2023 on the statement of special tax benefits in this Draft Prospectus and such consent has not been withdrawn as on the date of this Draft Prospectus.

### **EXPERT OPINION TO THE ISSUE**

Except for the reports in the section titled “Financial Statements and “Statement of Tax Benefits” on page no. 148 and 82 respectively of this Draft Prospectus from the Statutory Auditor, our Company has not obtained any expert opinions. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act 1933.

### **ISSUE RELATED EXPENSES**

The expenses of the Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, advertising expenses and listing fees. For details of total expenses of the Issue, see the chapter “*Objects of the Issue*” beginning on page no. 65 of the Draft Prospectus.

### **DETAILS OF FEES PAYABLE**

#### **Fees Payable to the Lead Manager**

The total fees payable to the Lead Manager will be as per the Mandate Letter issued by our Company to the Lead Manager, the copy of which is available for inspection at our Registered Office.

#### **Fees Payable to the Market Maker(s)**

The fees payable to the Market Maker(s) to the Issue will be as per the Agreement dated [•] between our Company, Lead Manager and Market Maker, a copy of which is available for inspection at our Registered Office.

#### **Fees Payable to the Registrar to the Issue**

The fees payable to the Registrar to the Issue will be as per the Agreement dated [•] executed between our Company and the Registrar to the Issue, a copy of which is available for inspection at our Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp-duty and communication expenses. Adequate funds will be provided by our Company to the Registrar to the Issue to enable them to send refund orders or Allotment advice by registered post/ speed post/ under certificate of posting.

#### **Fees Payable to Others**

The total fees payable to the Legal Advisor, Auditor, and Advertiser, etc. will be as per the terms of their respective engagement letters, if any.

### **Underwriting Commission, Brokerage and Selling Commission**

The underwriting and selling commission for the Issue is as set out in the Underwriting Agreement dated [•] between our Company, the Lead Manager/Underwriter and Market Maker, a copy of which is available for inspection at our Registered Office. Payment of underwriting commission, brokerage and selling commission would be in accordance with Section 40 of Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014 and any other applicable laws.

### **Particulars regarding Public or Rights Issues during the last five (5) years**

Our Company has not made any previous public or rights issue in India or abroad during the last five (5) years preceding the date of this Draft Prospectus except as disclosed in this Draft Prospectus.

#### **Previous issues of Equity Shares otherwise than for cash**

For detailed description please refer to section titled "*Capital Structure*" beginning on page 53 of this Draft Prospectus.

#### **Underwriting Commission, brokerage and selling commission on Previous Issues**

Since this is the initial public offering of our Company's Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

#### **Particulars in regard to our Company and other listed group-companies / subsidiaries/ associates under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 / Section 186 of the Companies Act, 2013 which made any capital issue during the last three years:**

Neither our Company nor any other companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 has made / Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three years.

#### **Performance vis-à-vis objects – Public/rights issue of our Company and/or listed Group Companies/ Subsidiaries and Associates of our Company**

Except as stated in the chapter titled "*Capital Structure*" beginning on page 53 of this Draft Prospectus our Company has not undertaken any previous public or rights issue.

#### **Performance vis-à-vis objects – Last Issue of Group/Associate Companies**

Except Artemis Electricals and Projects Limited None of the Group Companies of our Company are listed. Further, none of our Group Companies have made any public or rights issue of securities in the preceding three years.

#### **Outstanding Debentures or Bond Issues or Redeemable Preference Shares and other instruments**

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this Draft Prospectus.

#### **PARTLY PAID-UP SHARES**

As on the date of this Draft Prospectus, there are no partly paid-up Equity Shares of our Company.

#### **Outstanding Convertible Instruments**

Our Company does not have any outstanding convertible instruments as on the date of filing this Draft Prospectus.

#### **Option to Subscribe**

Equity Shares being offered through the Draft Prospectus can be applied for in dematerialized form only.

#### **Stock Market Data of the Equity Shares**

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, 2018, and the Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations, 2018. Thus, there is no stock market data available for the Equity Shares of our Company.

#### **Mechanism for Redressal of Investor Grievances**

The Agreement amongst the Registrar to the Issue, our Company provides for retention of records with the

Registrar to the Issue for a period of at least Eight (8) years from the last date of dispatch of the letters of allotment, or refund orders, Demat Credit or where refunds are being made electronically, giving of refund instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

We hereby confirm that there is no investor complaints received during the three years preceding the filing of Draft Prospectus. Since there is no investor complaints received, none are pending as on the date of filing of this Draft Prospectus.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection centre where the application was submitted.

The Applicant should give full details such as name of the sole/ first Applicant, Application Form number, Applicant DP ID, Client ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned herein above.

### **Disposal of Investor Grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has constituted Stakeholders Relationship Committee in the meeting of our Board of Directors held on March 14, 2023. For further details on the Stakeholders Relationship Committee, please refer to section titled “*Our Management*” beginning on page 112 of this Draft Prospectus.

**Our Company has appointed Reetu Bansal, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:**

**Reetu Bansal**

**Company Secretary & Compliance Officer**

39/5, Village - Waliv, Taluka - Vasai East, District - Palghar, Maharashtra – 401 208, India.

**Telephone:** +91 22 35722456

**E-mail:** [compliance@electroforceindia.com](mailto:compliance@electroforceindia.com)

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web based complaints redress system “**SCORES**”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in)

### **Status of Investor Complaints**

We confirm that we have not received any investor complaint during the three years preceding the date of this Draft Prospectus and hence there are no pending investor complaints as on the date of this Draft Prospectus.

### **CAPITALIZATION OF RESERVES OR PROFITS**

Save and except as stated in the chapter titled ‘*Capital Structure*’ beginning on page no. 53 of this Draft Prospectus, our Company has not capitalized its reserves or profits at any time since inception.

### **REVALUATION OF ASSETS**

Our Company has not revalued its assets since incorporation.

**SERVICING BEHAVIOR**

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

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

Our Company has not applied or received any exemptions from SEBI from complying with any provisions of securities laws.

## SECTION VIII – ISSUE INFORMATION

### TERMS OF THE ISSUE

The Equity Shares being issued and allotted pursuant to the Issue shall be subject to the provisions of the Companies Act, the SEBI (ICDR) Regulations, 2018, the SCRA, the SCRR, the MoA, the AoA, the SEBI Listing Regulations, the terms of this Draft Prospectus, the Draft Prospectus, the Application Form, the Revision Form, the Confirmation of Allocation Note (CAN), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other documents and certificates that may be executed in respect of the Issue. The Equity Shares will also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to issue and listing and trading of securities, issued from time to time, by the SEBI, the Government of India, the Stock Exchanges, the RoC, the RBI and/or other authorities to the extent applicable or such other conditions as may be prescribed by such governmental and/or regulatory authority while granting approval for the Issue.

#### Authority for the Issue

The present Issue of upto 86,75,000 Equity Shares which have been authorized by a resolution of the Board of Directors of our Company at their meeting held on August 31, 2023 and was approved by the Shareholders of our Company by passing special resolution at their Extra-Ordinary General Meeting held on September 01, 2023 in accordance with the provisions of Section 62 (1) (c) of the Companies Act, 2013.

#### Ranking of the Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association and shall rank pari-passu in all respects with the existing Equity Shares of our Company including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details, please refer to “*Description of Equity shares and terms of the Articles of Association*” on page 243 of the Draft Prospectus.

#### Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, the Articles of Association, the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and recommended by the Board of Directors and the Shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to “*Dividend Policy*” on page 129 of the Draft Prospectus.

#### Face Value, Issue Price

The Equity Shares having a Face Value of ₹ 10 each are being offered in terms of the Draft Prospectus at the price of [●] per equity Share (including premium of [●] per share). The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled “*Basis for Issue Price*” on page 71 of the Draft Prospectus. At any given point of time there shall be only one denominator of the Equity Shares of our Company, subject to applicable laws.

#### Compliance with SEBI (ICDR) Regulations

Our Company shall comply with all requirements of the SEBI (ICDR) Regulations, 2018. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time

#### Rights of the Equity Shareholders

Subject to applicable law and our Articles of Association, our equity Shareholders will have the following rights:

- Right to receive dividends, 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, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation subject to any statutory and preferential claims being satisfied;
- Right of free transferability of their Equity Shares, subject to applicable foreign exchange regulations and other applicable law; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, the terms of the SEBI Listing Regulations and our Memorandum of Association and Articles of Association and other applicable laws.

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 “*Description of Equity Shares and Terms of the Articles of Association*”, beginning on page 243.

#### **Allotment only in dematerialised form**

Pursuant to Section 29 of the Companies Act and the SEBI ICDR Regulations, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, SEBI Listing Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. In this context, our Company has entered into the following agreements with the respective Depositories and Registrar to the Issue:

- Tripartite agreement dated June 02, 2023 amongst our Company, NSDL and Registrar to the Issue; and
- Tripartite agreement dated June 05, 2023 amongst our Company, CDSL and Registrar to the Issue.

#### **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.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Shares and is subject to a minimum allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

#### **Minimum Number of Allottee**

The minimum number of allottees in the Issue shall be fifty (50) shareholders in case the number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this Issue and the amounts in the ASBA Account shall be unblocked forthwith.

#### **Joint Holders**

Subject to the provisions of the AoA, where two or more persons are registered as the holders of the Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

#### **Nomination facility to investors**

In accordance with Section 72 of the Companies Act, read with the rules notified thereunder, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. 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 nomination may be cancelled or varied by the Shareholder by nominating any other person in place of the present nominee, by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered 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 the production of such evidence as may be required by the Board, elect either:

- (a) to register himself or herself as the holder of the Equity Shares; or
- (b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our 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, our 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 dematerialised mode, there is no need to make a separate nomination with our Company. Nominations registered with respective Depository Participant of the Bidder would prevail. If the Bidder wants to change the nomination, they are requested to inform their

respective Depository Participant.

### Withdrawal of the Issue

Our Company in consultation with the Lead Manager, 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 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 Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one day of receipt of such notification. Our Company shall also promptly inform the Stock Exchange on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals 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 IPO, our Company shall be required to file a fresh Prospectus.

### Bid/Issue Programme

<b>ISSUE OPENS ON</b>	[•]
<b>ISSUE CLOSES ON</b>	[•]

An indicative timetable in respect of the Issue is set out below:

<b>Event</b>	<b>Indicative Date</b>
Issue Opening Date	[•]
Issue Closing Date	[•]
Finalisation of Basis of Allotment with the NSE Emerge	On or about [•]
Initiation of refunds/unblocking of funds from ASBA Account	On or about [•]
Credit of Equity Shares to demat accounts of Allottees	On or about [•]
Commencement of trading of the Equity Shares on the NSE Emerge	On or about [•]

### Minimum Subscription and Underwriting

This Issue is not restricted to any minimum subscription level. This Issue is [•] underwritten. As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Draft Prospectus, the application money has to be returned within such period as may be prescribed.

If the issuer does not receive the subscription of hundred per cent (100%) of the Issue through Prospectus on the date of closure of the issue including devolvement of underwriters, if any, or if the subscription level falls below hundred per cent (100%) after the closure of issue on account of withdrawal of applications, or after technical rejections, or if the listing or trading permission is not obtained from the stock exchange for the securities so Issued under the Prospectus, the issuer shall forthwith refund the entire subscription amount received failing to which the entire application monies shall be refunded forthwith, in accordance with the SEBI ICDR Regulations and other applicable laws. If there is a delay beyond four days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest at the rate of fifteen per cent per annum.

Further in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.1,00,000/- (Rupees One Lakh) per application.

The equity shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance without the applicable laws of such jurisdiction.

### Arrangements for Disposal of Odd Lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

### Application by Eligible NRIs, FPIs or VCFs registered with SEBI

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.



### **As per the extent Guidelines of the Government of India, OCBs cannot participate in this Issue.**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for lock-in of the pre-Issue Equity Share capital and Promoter's minimum contribution under the SEBI ICDR Regulations as provided in "Capital Structure", beginning on page 53 and except as provided under the AoA, there are no restrictions on transfer of the Equity Shares. Further, there are no restrictions on transmission of any shares of our Company and on their consolidation or splitting, except as provided in the AoA. For details, see "Description of Equity Shares and Terms of the Articles of Association", beginning on 243 of the Draft 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 Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*

### **Migration to Main Board**

In accordance with the NSE Circular dated April 20, 2023, our Company will have to be mandatorily listed and traded on the Emerge Platform of the NSE for a minimum period of 3 (three) years from the date of listing and only after that it can migrate to the Main Board of the NSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations. Our Company may migrate to the Main Board of NSE from the SME Exchange on a later date subject to the following:

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation our Company may migrate to the main board of NSE from the SME Exchange on a later date subject to the following:

- If the Paid-up capital of the company is likely to increase above ₹ 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoters shareholders against the proposal and for which the company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.
- If the Paid-up capital of our Company is more than ₹10.00 Crore and up to ₹ 25 crores, our company may still apply for migration to the Main Board. If our Company fulfils the eligibility criteria for listing laid down by the Main Board of NSE and 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 favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoters shareholders against the proposal.

### **Market Making**

The shares offered through this Issue are proposed to be listed on the Emerge platform of NSE, wherein the Lead Manager to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 (three) years from the date of listing on the Emerge platform of NSE.

For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker please refer to "General Information - Details of the Market Making Arrangements for this Issue" on page 44 of this Draft Prospectus.

### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

#### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Draft Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

#### **Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/ authorities in Mumbai, Maharashtra.

The Equity Shares have not been and will not be registered under the U.S. 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 U.S. Securities Act and applicable U.S. state securities laws.

Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in reliance on Regulation S 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 offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer whose post issue paid up face value capital is more than ₹10 Crores and upto Rs.25 Crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”, in this case being the SME Platform of NSE Limited i.e NSE EMERGE). For further details regarding the salient features and terms of such an issue please refer chapter titled “*Terms of the Issue*” and “*Issue Procedure*” on page 204 and **Error! Bookmark not defined.** of the Draft Prospectus.

The Issue comprise of a Public Issue of up to 86,75,000 Equity Shares of Face Value of ₹10/- each fully paid (The “**Equity Shares**”) for cash at a price of [●] per Equity Shares (*including a premium of [●] per equity share*) aggregating to [●] lakhs (“*the issue*”) by our Company of which [●] Equity Shares of ₹10/- each will be reserved for subscription by Market Maker Reservations Portion and a Net Issue to public of [●] Equity Shares of ₹10/- each is hereinafter referred to as the Net Issue. The Issue and the Net Issue will constitute [●] and [●] respectively of the post issue paid up Equity Share Capital of the Company.

The Issue is being made by way of Fixed Price Issue Process.

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares available for allocation	[●] Equity Shares	[●] Equity Shares
Percentage of Issue Size available for allocation	[●] of the Issue Size	[●] of the Issue Size
Basis of Allotment	Proportionate subject to minimum allotment of [●] Equity Shares and further allotment in multiples of [●] Equity Shares each. For further details please refer to “ <i>Issue Procedure</i> ” on page <b>Error! Bookmark not defined.</b> of this Draft Prospectus.	Firm Allotment
Mode of Application	All the applications shall make the application (Online or Physical) through ASBA Process Only	Through ASBA Process Only
Mode of Allotment	Compulsorily in dematerialized form.	Compulsorily in dematerialized form.
Minimum Application Size	<p><b><u>For Other than Retail Individual Investors:</u></b> Such number of Equity Shares in multiples of [●] Equity Shares at an Issue price of [●] each, such that the Application Value exceeds ₹ 2,00,000/-.</p> <p><b><u>For Retail Individuals Investors:</u></b> [●] Equity Shares at an Issue price of [●] Each</p>	[●] Equity Shares
Maximum Application Size	<p><b><u>For Other than Retails Individual Investors:</u></b> The maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable.</p> <p><b><u>For Retail Individuals Investors:</u></b> Such number of Equity Shares in multiples of [●] Equity Shares such</p>	[●] Equity Shares

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
	that the Application Value does not exceed ₹2,00,000/-	
Trading Lot	[●] Equity Shares	[●] Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
Application lot Size	[●] Equity Shares thereafter Equity Shares and in multiples of [●]	
Terms of Payment	The entire Application Amount shall be blocked by the SCSBs in the bank account of the Applicants, or by the Sponsor Banks through UPI mechanism (for RIIs using the UPI Mechanism) at the time of the submission of the Application Form	

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please refer to “*Issue Structure*” on page 209 of the Draft Prospectus.

\*As per Regulation 253(2) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue ‘the allocation’ in the net offer to the public category shall be made as follows:

- a) Minimum fifty percent to retail individual investors; and
- b) Remaining to
  - (i) Individual Applicant other than retail Individual Investors; and
  - (ii) Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

***If the retail individual investor category is entitled to more than fifty percent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.***

Note:

In case of joint Applications, 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 or UPI linked account number 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.

Applicants will be required to confirm and will be deemed to have represented to our Company, the Lead Manager, 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.

SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB.

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

The Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The 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 the Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, the Company will file a fresh Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the final RoC approval to the Draft Prospectus after it is filed with the RoC.

**Issue Programme:**

<b>Issue Opening Date</b>	[●]
<b>Issue Closing Date</b>	[●]
<b>Finalization of Basis of Allotment with the Designated Stock Exchange</b>	On or About [●]
<b>Initiation of Allotment / Refunds / Unblocking of Funds</b>	On or About [●]
<b>Credit of Equity Shares to demat accounts of Allottee's</b>	On or About [●]
<b>Commencement of trading of the Equity Shares on the Stock Exchange</b>	On or About [●]

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 centers mentioned in the Application Form.

Standardization of cut-off time for uploading of applications on the issue closing date:

- a) A standard cut-off time of 03.00 p.m. for acceptance of applications.
- b) A standard cut-off time of 04.00 p.m. for uploading of applications received from other than retail individual applicants.
- c) A standard cut-off time of 5.00 p.m. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of applications received up to the closure of timings and reported by LM to NSE 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 application form of that Bidder may be taken as the final data for the purpose of allotment.

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 1:00 p.m. IST on the Issue Closing Date. Any time mentioned in this draft prospectus is IST. Applicants are cautioned that, in the event a large number of applications are received on the Issue Closing Date, as is typically experienced in public Issues, some applications may not get uploaded due to lack of sufficient time. Such applications that cannot be uploaded will not be considered for allocation under this Issue.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays).

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from the Stock Exchange may be taken as the final data for the purpose of Allotment.

## ISSUE PROCEDURE

*All Applicants should review the General Information Document for Investing in Public Issues which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act 2013 (to the extent notified), the Companies Act, 1956 (to the extent not repealed by the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations as amended. The General Information Document is available on the websites of the Stock Exchanges and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue. The investors should note that the details and process provided in the General Information Document should be read along with this section.*

*Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Issue; (ii) maximum and minimum Application size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiv) interest in case of delay in Allotment or refund.*

*Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Prospectus/Prospectus before investing in the Issue.*

*Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section, and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this 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 the Equity Shares that can be held by them under applicable law or as specified in the Prospectus.*

*The lists 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 Stockbroker, Depository Participants (DP), Registrar to an Issue and Share Transfer Agent (RTA) that has been notified by NSE act as intermediaries for submitting Application Forms are provided on <https://www.nseindia.com>.*

SEBI through its circular no. (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface (—UPI) and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIIs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. (“UPI Phase I”). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Applications by RIIs through Designated Intermediaries (other than SCSBs), issued by SEBI, the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later (“UPI Phase II”). Subsequently however, SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 extended the timeline for implementation of UPI Phase II till March 31, 2020. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, has decided to continue with the UPI Phase II till further notice. The final reduced timeline of T+3 days for the UPI Mechanism for applications by RIIs (“UPI Phase III”) and modalities of the implementation of UPI Phase III may be notified and made effective subsequently, as may be prescribed by SEBI. The Issue will be undertaken

pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI, vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and 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, have introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. These circulars, to the extent already in force, 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 UPI applicants in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹5.00 lakhs shall use the UPI Mechanism. Subsequently, pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories). For details, please refer to “Interest In Case Of Delay in Allotment or Refund” on page 209 of this Draft Prospectus. The final reduced timeline of T+3 days will be made effective using the UPI Mechanism for applications by RIBs (“UPI Phase III”), as may be prescribed by SEBI. Subsequently, pursuant to press release bearing number 12/2023, the revised timeline of T+3 days shall be made applicable in two phases i.e. (i) voluntary for all public issues opening on or after September 1, 2023; and (ii) mandatory on or after December 1, 2023 (“T+3 Press Release”).

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 Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Applicants are advised to make their independent investigations and ensure that their Applications 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 this Draft Prospectus and the Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

#### ***Phased implementation of Unified Payments Interface***

SEBI has issued a ***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 RIBs 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 Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

**Phase I:** This phase has become applicable from January 1, 2019 and will continue till June 30, 2019. Under this phase, a Retail Individual Applicant would also have the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.

**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.

**Phase III:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing would be reduced to be three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Issue.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers are to appoint one of the SCSBs as a sponsor bank to act as a conduit

between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI mechanism.

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 ₹ 500,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers. Subsequently, pursuant to SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

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 ₹ 500,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹ 200,000 and up to ₹ 500,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers. Subsequently, pursuant to SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Lead Manager.

## **FIXED PRICE PROCEDURE**

The Issue is being made in compliance with the provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018 and through the Fixed Price Process. As per Regulation 253(2) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue the allocation in the net offer to the public category shall be made as follows:

- a) Minimum fifty percent to retail individual investors; and
- b) Remaining to:
  - i. other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for.
  - ii. The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

Applicants are required to submit their Applications to the Application collecting intermediaries i.e. SCSB or Registered Brokers of Stock Exchanges or Registered Registrar to the Issue and Share Transfer Agents (RTAs) or Depository Participants (DPs) registered with SEBI. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

Subject to the valid Applications being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spillover from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and 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 dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN, UPI ID (in case of RIBs using**



**the UPI mechanism) and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchange, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialized segment of the Stock Exchange.**

### **Application Form**

Copies of the Application Form and the abridged Prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the NSE (www.nseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

ASBA Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected. Retail Individual Investors using UPI mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants. ASBA Applicants are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount which can be blocked by the SCSB.

The prescribed color of the Application Form for various investors applying in the Issue is as follows:

<b>Category</b>	<b>Color *</b>
Resident Indians and Eligible NRI's applying on a non-repatriation basis (ASBA)	White
Non-Residents including eligible NRI's, FPI's, FII's, FVCI's, etc. applying on a repatriation basis (ASBA)	Blue

\* Excluding electronic Application Form

RIIs using UPI mechanism, may submit their ASBA Forms with Syndicate Members, Registered Brokers, RTA or Depository Participants. ASBA Applicants are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount which can be blocked by the SCSB.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the application form, respective intermediary shall capture and upload the relevant application details, including UPI ID, in the electronic bidding system of stock exchange(s).

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Applicants are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Issue, shall submit a completed application form to any of the following Intermediaries (Collectively called "Designated Intermediaries")

- (i) an SCSB, with whom the bank account to be blocked, is maintained.
- (ii) a syndicate member (or sub-syndicate member),
- (iii) 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"),
- (iv) a depository participant ('DP') (and whose name is mentioned on the website of the stock exchange as eligible for this activity),
- (v) a registrar to an issue and share transfer agent ('RTA') (and whose name is mentioned on the website of the stock exchange as eligible for this activity),

Retail's 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 application form.

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 application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For applications submitted by investors to SCSBs:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking the funds available in the bank account linked bank account details specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs without use of UPI for payment:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to the designated branches of the respective SCSBs for blocking of the funds within one day of the closure of Issue.
For applications submitted by investors to intermediaries other than SCSBs with use of UPI for payment	<p>After accepting the application form, respective intermediary shall capture and upload the relevant details, including UPI ID, in the electronic system of stock exchange(s).</p> <p>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.</p> <p>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.</p>

Stock exchange(s) shall validate the electronic 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(s) shall allow modification of selected fields viz. DP ID/Client ID, Bank code and Location code, in the application details already uploaded.

For ASBA Applicants using UPI mechanism, the Stock Exchange shall share the application details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to ASBA applicants for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange bidding platform, and the liability to compensate ASBA applicants (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the Bankers to the Issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the Bankers to the Issue. The Lead Manager shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analyzing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts for mandate block and unblock including details specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

#### **Availability of Prospectus and Application Forms**

The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, (Lead Manager 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](http://www.nseindia.com).

#### **WHO CAN APPLY?**

- 1) 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);
- 2) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: "Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs would be considered at par with those from individuals;
- 3) 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;
- 4) Mutual Funds registered with SEBI;
- 5) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- 6) 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);
- 7) FIIs and sub-accounts of FIIs registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- 8) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- 9) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the non-Institutional applicant's category;
- 10) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- 11) Foreign Venture Capital Investors registered with the SEBI;
- 12) 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;
- 13) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- 14) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- 15) Provident Funds with minimum corpus of Rs.25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- 16) Pension Funds with minimum corpus of Rs.25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- 17) 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;
- 18) Insurance funds set up and managed by army, navy or air force of the Union of India and Department of Posts, India;
- 19) Multilateral and bilateral development financial institution;

- 20) Eligible QFIs;
- 21) Foreign Nationals and other non-residents (subject to eligibility norms specified in SEBI FPI Regulations, 2014 and other applicable provisions);
- 22) Multilateral and bilateral development financial institutions;
- 23) State Industrial Development Corporations;
- 24) Nominated Investor and Market Maker;
- 25) Any other person eligible to applying in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

- 1.Minors (except under guardianship)
- 2.Partnership firms or their nominees
- 3.Overseas Corporate Bodies

**As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 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 to case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI or prior approval from Government, as the case may be. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.**

**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.**

#### **MAXIMUM AND MINIMUM APPLICATION SIZE**

##### a) For Retail Individual Applicants

The Application must be for a minimum of [•] Equity Shares and in multiples of [•] Equity Shares thereafter, so as to ensure that the Application Amount payable by the Applicant does not exceed Rs. 2,00,000. In case of revision of the Application, the Retail Individual Applicants have to ensure that the Application Amount does not exceed Rs. 2,00,000.

##### b) For Other Applicants (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 2,00,000 and in multiples of [•] equity shares thereafter. An application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB and a Non-Institutional Applicant cannot withdraw or lower the size of their Application at any stage and are required to pay the entire Application Amount upon submission of the Application.** Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

The identity of QIBs applying in the Net Issue shall not be made public during the Issue Period. In case of revision in Application, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Applicants are advised to ensure that any single Application from them does not exceed the investment limits or

maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

## **BASIS OF ALLOTMENT**

Allotment will be made in consultation with the Emerge Platform of NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth hereunder:

- 1) 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 over subscription ratio (number of Applicants in the category x number of Shares applied for).
- 2) The number of Shares to be allocated to the successful Applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- 3) For applications where the proportionate allotment works out to less than [•] equity shares the allotment will be made as follows:
  - i. Each successful Applicant shall be allotted [•] equity shares; and
  - ii. The successful Applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- 4) If the proportionate allotment to an Applicant works out to a number that is not a multiple of [•] equity shares, the Applicant would be allotted Shares by rounding off to the nearest multiple of [•] equity shares subject to a minimum allotment of [•] equity shares.
- 5) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Applicants in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [•] Equity shares, results in the actual allotment being higher than the shares 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 Prospectus.
- 6) Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253(2) of the SEBI (ICDR) Regulations, 2018 shall be made as follows:
  - a) Minimum fifty percent (50%) To Retail Individual Investors; and
  - b) Remaining to:
    - Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for
  - c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

*Explanation: If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.*

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/- . Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

## **PARTICIPATION BY ASSOCIATES/AFFILIATES OF LEAD MANAGER AND SYNDICATE MEMBERS**

Except for the Underwriting and Market Making Obligations, the Lead Manager, Underwriters and Market Marker, if any shall not be allowed to subscribe to the Issue in any manner. However, associates and affiliates of the Lead Manager and Syndicate Members, if any, may subscribe to or purchase Equity Shares in the Offer, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their customers.

## **OPTION TO SUBSCRIBE IN THE ISSUE**

- (a) As per Section 29 (1) of the Companies Act, 2013, allotment of Equity Shares shall be dematerialized form only. Investors will not have the option of getting of specified securities in physical form.
- (b) The Equity Shares, on Allotment, shall be traded on stock exchange in demat segment only.
- (c) A single application from 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 laws.

## **INFORMATION FOR THE APPLICANTS**

- 1) Our Company will file the Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
- 2) Our Company shall, after registering the Prospectus with the RoC, make a pre-issue advertisement, in the form prescribed under the ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre-issue advertisement, our Company and the Lead Manager shall advertise the Issue Opening Date, the Issue Closing Date. This advertisement shall be in the prescribed format as per ICDR Regulations.
- 3) Copies of the Application Form and the abridged Prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, and Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the Stock Exchange.
- 4) Any applicant who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office.
- 5) Applicants who are interested in subscribing for the Equity Shares should approach the Designated Intermediaries to register their applications.
- 6) Applications made in the Name of Minors and/or their nominees shall not be accepted.
- 7) The Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained or UPI ID linked account is maintained in case of retail individual investor, 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 or alternatively, the Retail Individual Applicants wishing to apply through UPI Channel, may provide the UPI ID and validate the blocking of the funds and the Application Forms that do not contain such details are liable to be rejected.
- 8) Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained or UPI ID linked account is maintained in case of retail individual investor. Applications submitted directly to the SCSBs 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 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 Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account or UPI linked account number is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.

- 10) The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the 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 Application Form is liable to be rejected.

**Applicants are advised to ensure that any single Application form 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 the Prospectus.**

#### **APPLICATION BY MUTUAL FUNDS**

With respect to Applications by 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 reject the Application without assigning any reason thereof.

Applications made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Applications are made.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

#### **APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIS APPLYING ON NON-REPATRIATION**

Application must be made only in the names of individuals, Limited Companies or Statutory Corporations/institutions and NOT in the names of Minors, Foreign Nationals, Non Residents (except for those applying on non repatriation), trusts, (unless the Trust is registered under the Societies Registration Act, 1860 or any other applicable Trust laws and is authorized under its constitution to hold shares and debentures in a Company), Hindu Undivided Families, partnership firms or their nominees. In case of HUF's application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of securities exceeding the number of securities offered to the public. Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE/FCNR accounts as well as NRO accounts.

#### **APPLICATIONS BY ELIGIBLE NRIS/FII'S/RFPIS ON REPATRIATION BASIS**

Application Forms have been made available for Eligible NRIs at our registered Office.

Eligible NRI applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment. The Eligible NRIs who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians.

Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to the companies

vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRI's subject to the terms and conditions stipulated therein. The Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of Issue of shares for Allotment to NRI's on repatriation basis.

Allotment of Equity Shares to Non-Resident 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 the income thereon subject to permission of the RBI and subject to the Indian Tax Laws and regulations and any other applicable laws.

#### **APPLICATION BY FPIs (INCLUDING FIIs)**

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 Issue 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.

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.

#### **APPLICATION BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS**

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors:



Accordingly, the holding by any individual venture capital fund registered with SEBI in one Company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one Company. Further, Venture Capital Funds and Foreign Venture Capital investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment funds) Regulations, 2012 prescribes investment restrictions for various categories of AIF's.

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 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 reregistered as an AIF under the SEBI Regulations shall continue to be regulated by the VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

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 Lead Manager 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.

#### **APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, as amended ("LLP Act") a certified copy of certificate of registration issued under the LLP Act 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 ASBA process.

#### **APPLICATIONS 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 in consultation with the LM, reserve 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, are broadly set forth below:

- (a) *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;
- (b) *the entire group of the investee company*: not more than 15% of the respective funds in case of life insurer or 15% of investment assets in case of general insurer or re-insurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c) *The industry sector in which the investee company operates*: not more than 15% of the fund of a life insurer or a general insurer or a re-insurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in case of investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or a general insurer and the amount calculated under points (1), (2) and (3) above, as the case may be.

#### **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**

SCSBSs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBSs 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.

#### **APPLICATIONS BY SYSTEMATICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Applications made by Systemically Important Non-Banking Financial Companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, (ii) certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor, and (iii) such other approval as may be required by the Systemically Important Non-Banking Financial Companies, are required to be attached to the Application Form. Failing this, our Company in consultation with the LM, reserves the right to reject any Bid without assigning any reason thereof. Systematically Important NBFCs participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for Systemically Important NBFCs shall be as prescribed by RBI from time to time.

#### **APPLICATIONS UNDER POWER OF ATTORNEY**

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs.25 Crores (subject to applicable law) and pension funds with a minimum corpus of Rs.25 Crores 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, the Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason, therefore.

With respect to the applications by VCFs, FVCIs and FPIs, 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 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 reason therefore.

In the case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolutions or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be submitted along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by the IRDA must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefore.

In the case of Applications made by to the power of attorney by FIIs, a certified copy of the power of attorney the

relevant resolution or authority, as the case may be along with the certified copy of SEBI registration certificate must be lodged with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In the case of Applications made by provident funds, subject to applicable law, with minimum corpus of Rs. 2500 Lacs and pension funds with minimum corpus of Rs. 2500 Lacs, 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, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

#### **APPLICATION BY PROVIDENT FUNDS/ PENSION FUNDS**

In case of Applications made by provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds 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 lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of filing of the Prospectus. Applicants are advised to make their independent investigations and ensure that the maximum number of Equity Shares applied for or maximum investment limits do not exceed the applicable limits under laws or regulations or as specified in the Prospectus.

#### **ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA) APPLICANTS**

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. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA 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 Application Form, please refer the above-mentioned SEBI link.

#### **METHOD AND PROCESS OF APPLICATIONS**

- 1) Applicants are required to submit their applications during the Issue Period only through the Designated Intermediaries.
- 2) The Issue Period shall be for a minimum of four (4) Working Days and shall not exceed ten (10) Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding ten (10) Working Days.
- 3) During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
- 4) The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.
- 5) The Designated 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 application form, in physical or electronic mode, respectively. The upload of the details in the electronic bidding system of stock exchange and post that blocking of funds will be done

by as given below:

For the applications submitted by the investors to SCSB with using UPI for payment	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the Bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs without use of UPI for payment	After accepting the application form, respective Intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of the Issue.

- 6) The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.
- 7) Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
- 8) If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.
- 9) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
- 10) The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

## **TERMS OF PAYMENT**

The entire Issue 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 or Sponsor Bank to unblock the excess amount paid on Application to the Applicants.

SCSBs or Sponsor Bank 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 or Sponsor Bank.

The applicants should note that the arrangement with Banker to the Issue or the Registrar or Sponsor Bank is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

## **PAYMENT MECHANISM FOR APPLICANTS**

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form sent by the Sponsor Bank. The SCSB or Sponsor Bank 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 Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the

Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Application by the ASBA Applicant, 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 Offer 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 offer may use either Application Supported by Blocked Amount (ASBA) facility for making application or also can use UPI as a payment mechanism with Application Supported by Blocked Amount for making application. 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 ₹ 500,000, may use UPI. Pursuant to SEBI circular no SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

### **PROCEDURE FOR UNIFIED PAYMENT INTERFACE (UPI)**

**In accordance to the SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, to streamline the process of public issue of Equity Shares and convertibles, Phase II shall become effective from July 01, 2019, thereafter for applications by Retail Individual Investors through intermediaries, where the existing process of investor submitting application form with any intermediaries along with bank account details and movement of such application forms from intermediaries to self-certified Syndicate Banks (SCSBs) for blocking of funds, will be discontinued. For such applications only the UPI mechanism would be permissible mode.**

***Who can apply through UPI mode?***

Only Retail Individual Investors are allowed to use UPI for the payment in public issues. Qualified Institutional Buyers and High-Net worth Investors shall continue to apply as per the existing process.

#### **Process**

Applications through UPI in IPOs (Public Issue) can be made only through the SCSBs/mobile applications whose name appears on the SEBI website: [www.sebi.gov.in](http://www.sebi.gov.in).

#### **Blocking Of Funds:**

- a) Investors shall create UPI ID.
- b) Investors shall submit their IPO applications through intermediaries and the investors shall enter UPI ID in the application form.
- c) Thereafter, intermediary shall upload the bid details and UPI ID in the electronic bidding system of the Stock Exchange.
- d) Stock Exchange shall validate the bid details on the real time basis with depository's records and shall bring the inconsistencies to the notice of intermediaries for rectification and re-submission.
- e) Stock Exchange shall share the details including UPI ID with Sponsor Bank, to enable the Sponsor Bank to initiate the request for the blocking of funds.
- f) Thereafter the investor shall receive notification and shall confirm the request by entering valid UPI PIN and upon such acceptance of request, funds would get blocked and intimation shall be given to the investor regarding blocking of funds.

#### **Unblocking Of Funds:**

- a) After the offer close day, the RTA on the basis of bidding and blocking received from stock exchange undertake a reconciliation and shall prepare Basis of Allotment.
- b) Upon approval of such basis, instructions would be sent to the Sponsor Bank to initiate process for credit of funds in the public offer escrow account and unblocking of excess funds

- c) Based on authorization given by the investor using UPI PIN at the time of blocking of funds, equivalent to the allotment, would be debited from investors account and excess funds, if any, would be unblocked.

**Further, RIIs would continue to have an option to modify or withdraw the bid till the closure of the offer period. For each such modification of application, RIIs shall submit a revised application and shall receive a mandate request from the Sponsor Bank to be validated as per the process indicated above. Hence, applications made through UPI ID for payment the same shall be revised by using UPI ID only.**

### **Rejection Grounds Under UPI Payment Mechanism**

An investor making application using any of channels under UPI Payments Mechanism, shall use only his/ her own bank account or only his/ her own bank account linked UPI ID to make an application in public issues. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. Sponsor Bank shall provide the investors UPI linked bank account details to RTA for purpose of reconciliation. RTA shall undertake technical rejection of all applications to reject applications made using third party bank account.

### **List of Banks Providing UPI Facility**

- a. An investor shall ensure that when applying in the IPO using UPI facility, the name of his Bank shall appear in the list of SCSBs as displayed on the SEBI website.
- b. A list of SCSBs and mobile application which are live for applying in public issues using UPI mechanism is provided on the SEBI Website at the following path:
- c. Home >> Intermediaries/Market Infrastructure Institutions >>Recognised Intermediaries >>Self Certified Syndicate Banks eligible as Issuer Banks for UPI
- d. Investors whose Bank is not live on UPI as on the date of the aforesaid circular, may use the other alternate channels available to them viz. submission of application form with SCSBs or using the facility of linked online trading, demat and bank account (Channel I or II at para 5.1 SEBI circular bearing no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018.
- e. 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 ₹ 500,000, may use UPI

### **Electronic Registration of Applications**

- 1) The Designated Intermediary will register the applications using the on-line facilities of the Stock Exchange.
- 2) The Designated Intermediary will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of the next Working day from the Offer Closing Date.
- 3) The Designated Intermediary shall be responsible for any acts, mistakes or errors or omission 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) In case the applications accepted and uploaded by any Designated Intermediary other than SCSBs, the 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 Lead manager nor the Company, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by any Application Collecting Intermediaries, (ii) the applications uploaded by any Designated Intermediaries or (iii) the applications accepted but not uploaded by the Designated Intermediaries.
- 5) The Stock Exchange will Offer an electronic facility for registering applications for the Offer. This facility will be available at the terminals of the Designated Intermediaries and their authorised agents during the Offer 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 Lead Manager on a regular basis.

- 6) With respect to applications by Applicants, 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 Application Forms to Designated Branches of the SCSBs for blocking of funds:

Sr. 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 Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into the on-line system:
- Name of the Applicant;
  - IPO Name;
  - Application Form Number;
  - Investor Category;
  - PAN Number (of First Applicant, if more than one Applicant);
  - DP ID & Client ID
  - Numbers of Equity Shares Applied for;
  - Amount;
  - Location of the Banker to the Offer or Designated Branch, as applicable and bank code of the SCSB branch where the ASBA Account is maintained;
  - Bank Account Number and
  - Such other information as may be required.
- 8) In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mentioned the bank account number, except the Electronic Application Form number which shall be system generated.
- 9) 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 or having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Application Collecting Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
- 10) Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
- 11) The Designated Intermediaries shall have no right to reject the applications, except on technical grounds except as mentioned in the Prospectus.
- 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 the compliance with various statutory and other requirements by our Company and / or the Lead manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness or 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 Promoters, 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 Prospectus; not does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchange.

- 13) The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Offer Closing Date to verify the PAN No., DP ID and Client ID uploaded in the online IPO system during the Offer Period, after which the Registrar to the Offer will receive this data from the Stock Exchange and will validate the electronic application details with the 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 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 ASBA Applicants.

### **Allocation of Equity Shares**

- 1) The Offer is being made through the Fixed Price Process wherein 2,52,000 Equity Shares shall be reserved for the Market Maker and 23,91,000 Equity Shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from the Retail Individual Applicants at the Offer Price. The balance of the Net Offer of 23,91,000 Equity Shares will be available for allocation on a proportionate basis to Non Retail Applicants.
- 2) Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead manager and the Stock Exchange.
- 3) Allocation to Non-Residents, including Eligible NRIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- 4) In terms of SEBI Regulations, Non-Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
- 5) Allotment status details shall be available on the website of the Registrar to the Issue.

### **OTHER INSTRUCTIONS**

#### ***Joint Applications in the case of Individuals***

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her address as per the Demographic Details received from the Depository.

#### ***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 (1st 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.
- iv) 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 ApplicationForms will be checked for common DP ID and Client ID.

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.

No separate applications for demat and physical is to be made. If such applications are made, the applications for physical shares will be treated as multiple applications and rejected accordingly.

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 and 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 LM reserves the right to reject, in its absolute discretion, all or any multiple Applications in any or all categories.

#### **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 2, 2007. Each of the Applicants should mention his/her PAN allotted under the IT Act. **Applications 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.

Please note that, Central or State Government and the officials appointed by the courts and investors residing in the State of Sikkim are exempted from specifying their PAN subject to the Depository Participants’ verifying the veracity of such claims of the investors in accordance with the conditions and procedures under this section on Issue Procedure.

#### **Option To Receive Equity Shares In Dematerialized Form**

Investors should note that Allotment of Equity Shares to all successful Applicants will only be in the dematerialized form in compliance of the Companies Act, 2013.

**Furnishing the details depository account is mandatory and applications without depository account shall be treated as incomplete and rejected.**

The Equity Shares on Allotment shall be traded only in the dematerialized segment of the Stock Exchanges.

Applicants will not have the option of getting Allotment of the Equity Shares in physical form. Allottee`s shall have the option to re-materialize the Equity Shares, if they so desire, as per the provision of the Companies Act and the Depositories Act.

### **Pre-Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013 the Company shall, after registering the 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.

### **Signing Of Underwriting Agreement**

The issue is 100% Underwritten. Our Company has entered into an Underwriting Agreement with the Lead Manageron [●].

### **Filing Of the Prospectus With The RoC**

The Company will file a copy of the Prospectus with the RoC in terms of Section 26, Section 32 and of the Companies Act, 2013.

### **Issuance of Allotment Advice**

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue. The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding, and irrevocable contract for the Allotment to such Applicant.
- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants 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 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

### **GENERAL INSTRUCTIONS**

#### **Do's:**

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the Depository Participant and the beneficiary account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Applicant shall use only his / her own bank account or only his / her own bank account linked UPI ID to

make an application.

- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in the ASBA account or UPI ID linked Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process the SCSBs where the Applicant has a bank account or a UPI ID linked Bank Account, the Registered Broker (at the Broker Centre's), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Instruct your respective Banks to release the funds blocked in the ASBA Account/UPI ID linked Bank Account under the ASBA process;
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Application Form and in case of Retail Individual Applicants applying through UPI Channel, ensure that you have mentioned the correct UPI ID;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the Prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- Ensure that you have correctly signed the authorization/ undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account/UPI ID linked Bank Account, as the case may be, equivalent to the Application Amount mentioned in the Application Form;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

***Dont's:***

- Do not apply for lower than the minimum Application size;
- Do not apply for a price different from the price mentioned herein or in the Application Form;
- Do not use third party bank account or third-party UPI ID linked Bank Account for making the Application;
- Do not apply on another Application Form after you have submitted an application to the Designated Intermediary;
- Do not pay the Application Price in cash, cheque, by money order or by postal order or by stock invest;
- 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 Issue 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 GIR 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 Issue;

Further, in case of any pre-issue or post issue related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out the Company Secretary and Compliance Officer.

## **RIGHT TO REJECT APPLICATIONS**

In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

In addition to the grounds for rejection of Application on technical grounds as provided in the “General Information Document” Applicants are requested to note that Applications may be rejected on the following additional technical grounds.

## **GROUND FOR REJECTIONS**

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- Date not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of [•];
- Category not ticked;
- Multiple Applications as defined in the Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant’s identity (DP ID) and the beneficiary’s account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulations or qualified institutional buyers as defined in Rule 144A under the Securities Act;
- Applications not duly signed;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications by any person that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date;
- Applications not containing the details of Bank Account and/or Depositories Account.

## **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Stock Exchange, along with the Lead Managers and the Registrar, shall ensure that the Basis of Allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

### **Method of allotment as may be prescribed by SEBI from time to time**

Our Company will not make any allotment in excess of the Equity Shares offered through the Offer through the offer document except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. The allotment of Equity Shares to applicants other than to the Retail Individual Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

### **Instructions for Completing the Application Form**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the 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. Application Forms should bear the stamp of the Designated Intermediaries. ASBA 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 Application forms in public issues using the stock broker (broker) network of Stock Exchange, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the website of NSE i.e., [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial), enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the website of NSE i.e., [www.nseindia.com](http://www.nseindia.com).

For details of instruction in relation to the Application Form, Applicants may refer to the relevant section of GID.

### **APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS**

Please note that, providing bank account details, PAN No's, UPI ID (if applicable), Client ID and DP ID in the space provided in the Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the 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, Applicant's bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue. By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Offer, the required Demographic Details as available on its records.

### **Submission of Application Form**

All 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 counterfoil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

## Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

## Disposal Of Applications And Application Moneys And Interest In Case Of Delay

The Company shall ensure the dispatch of Allotment advice, instructions to SCSBs and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within one working day of the date of Allotment of Equity Shares.

The Company shall use best efforts that all steps for completion of the necessary formalities for listing and commencement of trading at Emerge Platform of NSE where the Equity Shares are proposed to be listed are taken within 6 (six) working days of closure of the issue.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

- Allotment shall be made within three (3) days of the Issue Closing Date;
- Giving of Instructions for refund by unblocking of amount via ASBA not later than 4 (four) working days of the Issue Closing Date, would be ensured; and
- 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 applicants is also 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 of the Companies Act, 2013 and shall be treated as Fraud.”*

## Completion of formalities for Listing & Commencement of Trading

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Issue Closing Date. The Registrar to the Issue may give instruction for credit to Equity Shares the beneficiary account with DPs, and dispatch the allotment Advise within 6 Working Days of the Issue Closing Date.

## Mode of Refund

- a) In case of ASBA Applicants: Within 6 (six) Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application, for any excess amount blocked on Application, for any ASBA application withdrawn, rejected or unsuccessful or in the event of withdrawal or failure of the Offer.
- b) In the case of Applications from Eligible NRIs and FPIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/ or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Company may not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.
- c) In case of Other Investors: Within six Working Days of the Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Investors. In case of Investors, the Registrar to the Offer may obtain from the depositories, the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Investors in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, may be liable to compensate the Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

#### ***Mode of Making Refund for ASBA Applicants***

In case of ASBA Application, the registrar of the issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

#### ***Mode of making refunds for Applicants other than ASBA Applicants***

The payment of refund, if any, may be done through various modes as mentioned below:

- (i) NECS - Payment of refund may be done through NECS for Applicants having an account at any of the centers specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder as obtained from the Depository;
- (ii) NEFT - Payment of refund may be undertaken through NEFT wherever the branch of the Bidders' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC Code may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC Code of that particular bank branch and the payment of refund may be made to the Bidders through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- (iii) Direct Credit – Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;
- (iv) RTGS – Applicants having a bank account at any of the centres notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS. The IFSC code shall be obtained from the demographic details. Investors should note that on the basis of PAN of the bidder, DP ID and beneficiary account number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders account details, IFSC code, MICR code and occupation (hereinafter referred to as "Demographic Details"). The bank account details for would be used giving refunds. Hence, Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at their sole risk and neither the Lead Manager or the Registrar to the Issue or the Escrow Collection Bank nor the Company shall have any responsibility and undertake any liability for the same;
- (v) Please note that refunds, on account of our Company not receiving the minimum subscription, shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank. For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centers etc. Bidders may refer to Prospectus.

#### **INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND:**

The Issuer shall make the Allotment within the period prescribed by SEBI. In case of any delay in unblocking of

amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Issue Closing Date, the applicant shall be compensated in accordance with applicable law, i.e. the applicant shall be compensated at a uniform rate of Rs. 100.00 per day for the entire duration of delay exceeding Four (4) working days from the Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The Lead Manager shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/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, as amended pursuant to 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 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

## **UNDERTAKINGS BY OUR COMPANY**

The Company undertakes the following:

- 1) That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 working days from Issue Closing date;
- 3) That our Promoter's contribution in full has already been brought in;
- 4) 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;
- 5) 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;
- 6) That no further issue of equity shares shall be made till the Equity Shares offered through this Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.;
- 7) That the instruction for electronic credit of Equity Shares/ refund orders/intimation about the refund to non - resident Indians shall be completed within specified time;
- 8) That Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received;
- 9) That if our Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 10) If our Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Offer; and
- 11) Those adequate arrangements shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.



- 12) That none of the promoters or directors of the company is wilful defaulter or a fraudulent borrower under Section 5(c) of SEBI (ICDR) Regulations, 2018.

### **Undertaking by the Selling Shareholders**

Only statements and undertakings which are specifically “confirmed” or “undertaken” by the Selling Shareholders in this Draft Prospectus shall be deemed to be “statements and undertakings made by the Selling Shareholders”. All other statements and/ or undertakings in this Prospectus shall be statements and undertakings made by our Company even if the same relates to the Selling Shareholders. The Selling Shareholders severally and not jointly, specifically confirms and undertakes the following in respect of himself and the Equity Shares being offered by it pursuant to the Offer for Sale:

1. The portion of the offered Shares shall be transferred in the offer free and clear of any pre-emptive rights, liens, mortgages, charges, pledges, trusts or any other encumbrance or transfer restrictions, both present and future, in a manner prescribed under Applicable Law in relation to the Issue, and without any objection by it and in accordance with the instructions of the Registrar to the Issue.
2. The portion of the offered Shares have been held by such Selling Shareholder for a minimum period of one year prior to the date of filing this Prospectus, such period determined in accordance with Regulation 26 (6) of the SEBI ICDR Regulations.
3. They are the legal and beneficial owner and has full title of its respective portion of the offered Shares.
4. That they shall provide all reasonable co-operation as requested by our Company and the LM in relation to the completion of the Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders (as applicable) to the requisite extent of its respective portion of the offered Shares.
5. They will not have recourse to the proceeds of the Offer for Sale, until approval for final listing and trading of the Equity Shares is received from the Stock Exchanges.
6. They will deposit its respective portion of the offered Shares in an escrow account opened with the Share Escrow Agent prior to filing of the Prospectus with the RoC.
7. They shall not offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise, to any person for making a Application in the Issue, and shall not make any payment, whether direct or indirect, whether in the nature of discounts, commission, allowance or otherwise, to any person who makes an application in the Issue.
8. That they will provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the LM in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Issue, except as permitted under applicable law;

The Selling Shareholders has authorized the Company Secretary and Compliance Officer of our Company and the Registrar to the Issue to redress any complaints received from Applicants in respect of the Offer for Sale.

### **UTILIZATION OF FRESH ISSUE PROCEEDS**

Our Board of Directors 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(LODR) Regulations,2015 as amended from time to time in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue; and
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
6. The Lead manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactory.

#### **EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar to the Issue:

1. Agreement dated June 05, 2023 between CDSL, the Company and the Registrar to the Issue;
2. Agreement dated June 02, 2023 between NSDL, the Company and the Registrar to the Issue;
3. The Company's shares bear an ISIN: INE0Q1W01012

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 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 RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment (“FDI”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion) (“DPIIT”), issued the FDI Policy, which, with effect from October 15, 2020 consolidated, subsumed and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. In terms of FDI Policy, FDI to an extent of 51% is allowed in multi brand retail trading with government approval. The FDI Policy will be valid until the DPIIT issues an updated circular. FDI in companies engaged in sectors/ activities which are not listed in the FDI Policy is permitted up to 100% of the paid-up share capital of such company under the automatic route, subject to compliance with certain prescribed conditions.

Under the current FDI Policy and the FEMA Non-Debt Rules, foreign direct investment is not permitted in companies engaged in (a) multi-brand retail trading, undertaking retail trading by means of e-commerce, and (b) inventory-based model of e-commerce. In accordance with the FEMA Non-debt Rules, participation by non-residents in the Issue is restricted to participation by (i) FPIs under Schedule II of the FEMA Non-debt Rules, subject to limit of the individual holding of an FPI below 10% of the post-Issue paid-up capital of our Company and the aggregate limit for FPI investment currently not exceeding the sectoral cap i.e. 51% of the post issue paid up share capital; and (ii) Eligible NRIs applying only on a non-repatriation basis under Schedule IV of the FEMA Non-debt Rules. Further, other non-residents applying on a repatriation basis, FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Issue. As per the existing policy of the Government of India, OCBs cannot participate in this issue. See “Issue Procedure” beginning on page **Error! Bookmark not defined.**

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The DPIIT, issued the Consolidated FDI Policy which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Consolidated FDI Policy will be valid until the DPIIT issues an updated circular and shall be subject to FEMA Rules.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectorial limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

The foreign investment in our Company is governed by, inter-alia, the FEMA, the FEMA Non-debt Rules, the FDI Policy issued and amended by way of press notes.

Further, in terms of the FEMA Non-debt Rules, the aggregate FPI investment limit is the sectoral cap applicable to Indian company as prescribed in the FEMA Non-Debt Instruments Rules with respect to its paid-up equity capital on a fully diluted basis. See “Issue Procedure” beginning on page **Error! Bookmark not defined.**

Further, in accordance with the FDI Policy, the Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the FEMA Non-debt Rules, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Investors”), will require prior approval of the Government, as prescribed in the FDI Policy and the FEMA Non-debt Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Non-Debt Rules. Each Bidder should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval

of the Government of India is required, and such approval has been obtained, the Bidder shall intimate our Company and the Registrar in writing about such approval along with a copy thereof within the Bid/Issue Period.

**The Equity Shares have not been and will not be registered under the U.S. 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 U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in reliance on Regulation S 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 offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. The above information is given for the benefit of the Applicants. Our Company and the 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 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.**

## SECTION IX - DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION

The Companies Act, 2013 Articles of Association

of

**ELECTRO FORCE (INDIA) LIMITED \***

(Company Limited by Shares)

### 1. Table F Applicable

No regulation contained in Table "F" in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.

### INTERPRETATION CLAUSE

2. In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:

#### Act

- (a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.

#### Articles

- (b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.

#### Auditors

- (c) "Auditors" means and includes those persons appointed as such for the time being of the Company.

#### Capital

- (d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.

- (e) "The Company" shall mean **ELECTRO FORCE (INDIA) LIMITED** <sup>1</sup>

#### Executor or Administrator

- (f) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.

#### Legal Representative

(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.

*<sup>1</sup>Pursuant to conversion of company from Private Limited into Public Limited, the name of the company has been changed from Electro Force (India) Private Limited to Electro Force (India) Limited by deletion of the word "PRIVATE" before the word "LIMITED" vide passing Special Resolution on Extraordinary General Meeting held on Saturday, 15<sup>th</sup> April, 2023.*

**Gender**

- (h) Words importing the masculine gender also include the feminine gender.

**In Writing and Written**

- (i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.

**Marginal notes**

- (j) The marginal notes hereto shall not affect the construction thereof.

**Meeting or General Meeting**

- (k) "Meeting" or "General Meeting" means a meeting of members.

**Month**

- (l) "Month" means a calendar month.

**Annual General Meeting**

- (m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.

**Extra-Ordinary General Meeting**

- (n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.

**National Holiday**

- (o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.

**Non-retiring Directors**

- (p) "Non-retiring Directors" means a director not subject to retirement by rotation.

**Office**

- (q) "Office" means the registered Office for the time being of the Company.

**Ordinary and Special Resolution**

- (r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.

**Person**

- (s) "Person" shall be deemed to include corporations and firms as well as individuals.

**Proxy**

- (t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.

**Register of Members**

- (u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.

**Seal**

- (v) "Seal" means the common seal for the time being of the Company.

**Singular number**

- (w) Words importing the Singular number include where the context admits or requires the plural number and vice versa.

**Statutes**

- (x) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.

**These presents**

- (y) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.

**Variation**

- (z) "Variation" shall include abrogation; and "vary" shall include abrogate.

**Year and Financial Year**

- (aa) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.

**Expressions in the Act to bear the same meaning in Articles**

Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.

**CAPITAL**

**3. Authorized Capital**

The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.

**4. Increase of capital by the Company how carried into effect**

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 of 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 Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.

**5. Further Issue of Share Capital**

- (a) Where, at any time, it is proposed to increase the subscribed capital of the company by allotment of further shares then:



- (i) Such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the company, in proportion, as nearly as circumstances admit, to the capital paid-up on those shares at that date;
  - (ii) The offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;
  - (iii) 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 sub-clause (ii) shall contain a statement of this right;
  - (iv) 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 as they think most beneficial to the company.
- (b) Notwithstanding anything contained in subclause (a), the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (i) of sub-clause (a) hereof) in any manner whatsoever.
- (i) If a special resolution to that effect is passed by the company in general meeting, or
  - (ii) Where no such resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the company.
- (c) Nothing in sub-clause (iii) of (a) hereof shall be deemed:
- (i) To extend the time within which the offer should be accepted; or
  - (ii) To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
- (d) Nothing in this Article shall apply to the increase of the subscribed capital of the company caused by the exercise of an option attached to the debentures issued by the company:
- (i) To convert such debentures or loans into shares in the company; or
  - (ii) To subscribe for shares in the company

PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

- (a) Either has been approved by the central Government before the issue of debentures or the raising of the loans or is in conformity with Rules, if any, made by that Government in this behalf; and
- (b) In the case of debentures or loans or other than debentures issued to, or loans obtained from the Government or any institution specified by the Central Government in this behalf, has also been approved by the special resolution passed by the company in General Meeting before the issue of the loans.

## **6. New Capital same as existing capital**

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 instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

**7. Non-Voting Shares**

The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.

**8. Redeemable Preference Shares**

Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.

**9. Voting rights of preference shares**

The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.

**10. Provisions to apply on issue of Redeemable Preference Shares**

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 purpose of the redemption;
- (b) No such Shares shall be redeemed unless they are fully paid;
- (c) Subject to section 55(2)(d)(i) 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;
- (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 Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and
- (e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected 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. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital.

**11. Reduction of capital**

The Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce:

- (a) the share capital;
- (b) any capital redemption reserve account; or

(c) any security premium account

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.

## **12. Debentures**

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. 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.

## **13. Issue of Sweat Equity Shares**

The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.

## **14. ESOP**

The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.

## **15. Buy Back of shares**

Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

## **16. Consolidation, Sub-Division and Cancellation**

Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; 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.

## **17. Issue of Depository Receipts**

Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.

## **18. Issue of Securities**

Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.

**19. Register of Members**

The Company shall cause to be kept a register and index of members in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in

physical and dematerialised forms in any medium as may be permitted by law including in any form of electronic medium. The Company shall be entitled to keep in any State or Country outside India a branch Register of Members Resident in that State or Country.

## **MODIFICATION OF CLASS RIGHTS**

### **20. Modification of rights.**

(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting.

Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.

#### **New Issue of Shares not to affect rights attached to existing shares of that class.**

(b) The rights conferred upon the holders of the Shares including Preference Share, 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, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.

### **21. Shares at the disposal of the Directors.**

Subject to the provisions of Section 62 of the Act 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 persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the 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 of shares shall not be given to any person or persons without the sanction of the company in the General Meeting.

### **22. Power to issue shares on preferential basis.**

The Company may issue shares or other securities in any manner whatsoever including by way of preferential offer, to any persons whether or not those persons include the persons referred to in clause

(a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.

### **23. Shares should be Numbered progressively and no share to be subdivided.**

The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

### **24. Acceptance of Shares.**

An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment

of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.

**25. Directors may allot shares as full paid-up**

Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.

**26. Deposit and call etc. to be a debt payable immediately.**

The money (if any) which the Board 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 become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.

**27. Liability of Members.**

Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.

**28. Registration of Shares.**

Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.

**RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT**

- 29.** The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Section 39 of the Act

**CERTIFICATES**

**30. Share Certificates.**

- (a) 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 provided in the relevant laws) 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 for 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.

- (b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the

Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.

**31. Issue of new certificates in place of those defaced, lost or destroyed.**

- (a) 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.
- (b) 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 ₹ 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 regulation or requirements of any Stock Exchange or the rules made under the Companies Act, 2013 or rules made under Securities Contracts (Regulation) Act, 1956 or any other act, or rules applicable thereof in this behalf.

- (c) The provision of this Article shall mutatis mutandis apply to debentures of the company.

**32. The first named joint holder deemed Sole holder.**

- (a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.

**Maximum number of joint holders.**

- (b) The Company shall not be bound to register more than three persons as the joint holders of any share.

**33. Company not bound to recognise any interest in share other than that of registered holders.**

Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise 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 the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

**34. Instalment on shares to be duly paid.**

If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by instalment, every such instalment 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 share or his legal representative.

**UNDERWRITING AND BROKERAGE**

**35. Commission**

Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission

to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.

### **36. Brokerage**

The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.

## **CALLS**

### **37. Directors may make calls**

- (1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.
- (2) A call may be revoked or postponed at the discretion of the Board.
- (3) A call may be made payable by instalments.

### **38. Notice of Calls**

Fifteen 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.

### **39. Calls to date from resolution.**

A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.

### **40. Calls on uniform basis.**

Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.

### **41. Directors may extend time.**

The Board may, from time to time, at its 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 on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.

### **42. Calls to carry interest.**

If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.



**43. Sums deemed to be calls.**

If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or instalment 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 instalment accordingly.

**44. Proof on trial of suit for money due on shares.**

On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

**45. Judgment, decree, partial payment motto proceed for forfeiture.**

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.

**46. Payments in Anticipation of calls may carry interest**

- (a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.
- (b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.
- (c) The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.

**LIEN**

**47. Company to have Lien on shares.**

The Company shall have a first and paramount lien upon all the 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 to be exempt from the provisions of this clause.

**48. Fully paid shares to be free from all lien**

Fully paid shares of the Company shall be free from all lien. In the case of partly paid shares, the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

**49. As to enforcing lien by sale.**

For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall 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 lieu thereof to the purchaser or purchasers concerned.

**50. Application of proceeds of sale.**

The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

**FORFEITURE AND SURRENDER OF SHARES**

**51. If call or instalment not paid, notice may be given.**

If any Member fails to pay the whole or any part of any call or instalment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or instalment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or instalment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or instalment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.

**52. Terms of notice.**

The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or instalment and such interest thereon as the Directors shall determine from the day on which such call or instalment ought to have been paid 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 or places appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

**53. On default of payment, shares to be forfeited.**

If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or instalments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of

the forfeited share and not actually paid before the forfeiture.

**54. Notice of forfeiture to a Member**

When any shares have been 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.

**55. Forfeited shares to be property of the Company and may be sold etc.**

Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.

**56. Members still liable to pay money owing at time of forfeiture and interest.**

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, instalments, 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 as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.

**57. Effect of forfeiture.**

The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in 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.

**58. Evidence of Forfeiture.**

A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have 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 shares.

**59. Title of purchaser and allottee of Forfeited shares.**

The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.

**60. Cancellation of share certificate in respect of forfeited shares.**

Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.

**61. Forfeiture may be remitted.**

In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.

## **62. Validity of sale**

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.

## **63. Surrender of shares.**

The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.

## **TRANSFER AND TRANSMISSION OF SHARES**

### **64. Execution of the instrument of shares.**

- (a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee.
- (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.

### **65. Transfer Form.**

The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof.

The instrument of transfer shall be in a common form approved by the Exchange.

### **66. Transfer not to be registered except on production of instrument of transfer.**

The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.

### **67. Directors may refuse to register transfer.**

Subject to the provisions of Section 58 and 59 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, these Articles and other applicable provisions of the Act, the Directors may, whether in pursuance of any power of the company under these Articles or otherwise, decline to register the transfer of, or the transmission by operation of law of the right to, any shares, or interest of a Member therein, 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 registration of transfer shall however 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.

68. Notice of refusal to be given to transferor and transferee.

If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.

69. No fee on transfer.

No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.

70. Closure of Register of Members or debenture holder or other security holders

The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.

71. Custody of transfer Deeds.

The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.

72. Application for transfer of partly paid shares.

Where an application of transfer 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.

73. Notice to transferee.

For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier 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.

**74. Recognition of legal representative.**

- (a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares.
- (b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India.

Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate

- (c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

**75. Titles of Shares of deceased Member**

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 jointholders) 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 fit, 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 of the Companies Act.

**76. Notice of application when to be given**

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 Act.

**77. Registration of persons entitled to share otherwise than by transfer. (transmission clause).**

Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they 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 this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.

**78. Refusal to register nominee.**

Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

**79. Board may require evidence of transmission.**

Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.

**80. Company not liable for disregard of a notice prohibiting registration of transfer**

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 or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same 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 or require to regard or attend or give effect to any notice which may be given to them of any

equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.

**81. Form of transfer Outside India.**

In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.

**82. No transfer to insolvent etc.**

No transfer shall be made to any minor, insolvent or person of unsound mind.

**NOMINATION**

**83. Nomination**

- i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.
- ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014
- iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.
- iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.



#### **84. Transmission of Securities by nominee**

A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-

- (i) to be registered himself as holder of the security, as the case may be; or
- (ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;
- (iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;
- (iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

PROVIDED FURTHER THAT the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.

### **DEMATERIALISATION OF SHARES**

#### **85. Dematerialisation of Securities**

Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.

### **JOINT HOLDER**

#### **86. Joint Holders**

Where two or more persons are registered as the holders of any share, they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.

#### **87. Joint and several liabilities for all payments in respect of shares.**

- (a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.

#### **Title of survivors.**

- (b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;

#### **Receipts of one sufficient.**

- (c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and

**Delivery of certificate and giving of notices to first named holders.**

- (d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall be deemed to be service on all the holders.

**SHARE WARRANTS**

**88. Power to issue share warrants**

The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.

**89. Deposit of share warrants**

- (a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.

(b) Not more than one person shall be recognized as depositor of the Share warrant.

(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.

**90. Privileges and disabilities of the holders of share warrant**

(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.

(b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.

**91. Issue of new share warrant coupons**

The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

**CONVERSION OF SHARES INTO STOCK**

**92. Conversion of shares into stock or reconversion.**

The Company may, by ordinary resolution in General Meeting.

- a) convert any fully paid-up shares into stock; and
- b) re-convert any stock into fully paid-up shares of any denomination.

**93. Transfer of stock.**

The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

**94. Rights of stock holders.**

The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

**95. Regulations.**

Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.

**BORROWING POWERS**

**96. Power to borrow.**

Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate,

bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting 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 specified purpose.

**97. Issue of discount etc. or with special privileges.**

Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.

**98. Securing payment or repayment of Moneys borrowed.**

The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charge, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.

**99. Bonds, Debentures etc. to be under the control of the Directors.**

Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

**100. Mortgage of uncalled Capital.**

If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.

**101. Indemnity may be given.**

Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether 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.

## MEETINGS OF MEMBERS

**102. Distinction between AGM & EGM.**

All the General Meetings of the Company other than Annual General Meetings shall be called Extraordinary General Meetings.

**103. Extra-Ordinary General Meeting by Board and by requisition**

- (a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members

#### **Proceedings at General Meeting**

- (b) No business shall be transacted at any general meeting unless quorum of members, as stipulated under the provisions of the Act, is present at the time when the meeting proceeds to business.
- (c) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103 of the Act.

#### **When a Director or any two Members may call an Extra Ordinary General Meeting**

- (d) 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.

#### **104. Meeting not to transact business not mentioned in notice.**

No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.

#### **105. Chairman of General Meeting**

The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Vice Chairman of the Company so shall take the chair and preside the meeting. In the absence of the Vice Chairman as well, the Directors present may choose one of the Directors among themselves to preside the meeting.

#### **106. Business confined to election of Chairman or Vice Chairman whilst chair is vacant.**

No business, except the election of a Chairman or Vice Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.

#### **107. Chairman with consent may adjourn meeting.**

- a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- 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, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

**108. Chairman's casting vote.**

In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.

**109. In what case poll taken without adjournment.**

Any poll duly demanded on the election of Chairman or Vice Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.

**110. Demand for poll not to prevent transaction of other business.**

The demand for a poll except on the question of the election of the Chairman or Vice Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

**VOTES OF MEMBERS**

**111. Members in arrears not to vote.**

No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.

**112. Number of votes each member entitled.**

Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, 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 the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.

**113. Casting of votes by a member entitled to more than one vote.**

On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person 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.

**114. Vote of member of unsound mind and of minor**

A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor 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.

**115. Postal Ballot**

Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.

#### **116. E-Voting**

A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

#### **117. Votes of joint members.**

- a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joint holders thereof.
- b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

#### **118. Votes may be given by proxy or by representative**

Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles

#### **119. Representation of a body corporate.**

A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.

#### **120. Members paying money in advance.**

- (a) 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 the moneys paid until the same would, but for this payment, become presently payable.

#### **Members not prohibited if share not held for any specified period.**

- (b) 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 was taken.

#### **121. Votes in respect of shares of deceased or insolvent members.**

Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were 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 his right to transfer such shares and give such indemnity (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.

#### **122. No votes by proxy on show of hands.**

No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.



**123. Appointment of a Proxy.**

The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

**124. Form of proxy.**

An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

**125. Validity of votes given by proxy notwithstanding death of a member.**

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.

**126. Time for objections to votes.**

No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

**127. Chairperson of the Meeting to be the judge of validity of any vote.**

Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

**DIRECTORS**

**128. Number of Directors**

Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution

**The First Directors of the Company shall be:**

1. Mr. Pravinkumar Brijendrakumar Agarwal
2. Mr. Alok Kumar Brijendrakumar Agarwal

**129. Qualification shares.**

A Director of the Company shall not be bound to hold any Qualification Shares in the Company.

**130. Nominee Directors.**

- (a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the financing company or body or financing corporation or credit corporation or bank or any insurance corporation (each such financing company or body or financing corporation or credit corporation or bank or any insurance corporation is hereinafter referred to as financial institution) out of any loans granted by the financial institution to the Company or so long as the financial institution hold 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 financial institution on behalf of the Company remains outstanding, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement.



- (b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.
- (c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.

**131. Appointment of alternate Director.**

The Board may appoint an Alternate Director to act for a Director (hereinafter called “The Original Director”) during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.

**132. Additional Director**

Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.

**133. Directors power to fill casual vacancies.**

Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.

**134. Sitting Fees.**

Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.

**135. Travelling expenses Incurred by Director on Company's business.**

The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting 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 travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.

**PROCEEDINGS` OF THE BOARD OF DIRECTORS**

**136. Meetings of Directors.**

- (a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.
- (b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

**Quorum**

No business shall be transacted at any Board meeting unless quorum of Directors, as stipulated under the provisions of the Act, is present at the time when the meeting proceeds to business

#### **137. Chairman and Vice Chairman**

- a) The Directors may from time to time elect from among their members a Chairperson of the Board as well as a Vice Chairman of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, to the Vice Chairman shall preside at the meeting and in the absence of the Vice Chairman as well, the Directors present may choose one of the Directors among themselves to preside the meeting.
- b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.

#### **138. Questions at Board meeting how decided.**

Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman or the Vice Chairman, as the case may be will have a second or casting vote.

#### **139. Continuing directors may act notwithstanding any vacancy in the Board**

The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

#### **140. Directors may appoint committee.**

Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

#### **141. Committee Meetings how to be governed.**

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.

#### **142. Chairperson of Committee Meetings**

- a) A committee may elect a Chairperson of its meetings.
- b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

#### **143. Meetings of the Committee**

- a) A committee may meet and adjourn as it thinks fit.

- b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

**144. Acts of Board or Committee shall be valid notwithstanding defect in appointment.**

Subject to the provisions of the Act, 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 such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained 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.

**145. Power to fill casual vacancy**

Subject to the provisions of Section 161 of the Act, 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.

**POWERS OF THE BOARD**

**146. Powers of the Board**

The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However, 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.

**147. Certain powers of the Board**

Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say

**To acquire any property , rights etc.**

- (1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.

**To take on Lease.**

- (2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.

**To erect & construct.**

- (3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the

whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.

**To pay for property.**

- (4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share 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 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.

**To insure properties of the Company.**

- (5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable 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.

**To open Bank accounts.**

- (6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.

**To secure contracts by way of mortgage.**

- (7) To secure the fulfilment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertakings as a going concern and its uncalled capital for the time being or in such manner as they think fit.

**To accept surrender of shares.**

- (8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.

**To appoint trustees for the Company.**

- (9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.

**To conduct legal proceedings.**

- (10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.

**Bankruptcy & Insolvency**

- (11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.

**To issue receipts & give discharge.**

- (12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.

**To invest and deal with money of the Company.**

- (13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.

**To give Security by way of indemnity.**

- (14) 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 as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;

**To determine signing powers.**

- (15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.

**Commission or share in profits.**

- (16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.

**Bonus etc. to employees.**

- (17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.

**Transfer to Reserve Funds.**

- (18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the deprecation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power 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.

**To appoint and remove officers and other employees.**

- (19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, 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 to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts 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 fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.

**To appoint Attorneys.**

- (20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.

**To enter into contracts.**

- (21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose 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.

**To make rules.**

- (22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.

**To effect contracts etc.**

- (23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.

**To apply & obtain concessions licenses etc.**

- (24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.

**To pay commissions or interest.**

- (25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.

**To redeem preference shares.**

- (26) To redeem preference shares.

**To assist charitable or benevolent institutions.**

- (27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.
- (28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
- (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.
- (30) 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 181 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.

- (31) 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.
- (32) 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.
- (33) From time to time to extend the business and undertaking of the Company by 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.
- (34) 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 free hold 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.
- (35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose of, 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.
- (36) To let, sell or otherwise dispose of subject to the provisions of Section 180 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.
- (37) 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.



- (38) 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.

#### **MANAGING AND WHOLE-TIME DIRECTORS**

##### **148. Powers to appoint Managing/ Wholetime Directors.**

- a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, 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.
- b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.

##### **149. Remuneration of Managing or Wholetime Director.**

The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.

##### **150. Powers and duties of Managing Director or Whole-time Director.**

- (1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.
- (2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles 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 may from time to time revoke, withdraw, alter or vary all or any such powers.
- (3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.
- (4) 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.
- (5) 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.

**CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF  
FINANCIAL OFFICER**

**151. Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer**

- a) Subject to the provisions of the Act,—
- i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
  - ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
- b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

**THE SEAL**

**152. The seal, its custody and use.**

- (a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.
- (b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.

**153. Deeds how executed.**

The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

**Dividend and Reserves**

**154. Division of profits.**

- (1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.
- (2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- (3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

**155. The company in General Meeting may declare Dividends.**

The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.

**156. Transfer to reserves**

- a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
- b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

**157. Interim Dividend.**

Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

**158. Debts may be deducted.**

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.

**159. Capital paid up in advance not to earn dividend.**

No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.

**160. Dividends in proportion to amount paid-up.**

All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.

**161. Retention of dividends until completion of transfer under Articles.**

The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.

**162. No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.**

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 payable to any member all such sums of money so due from him to the Company.

**163. Effect of transfer of shares.**

A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.

**164. Dividend to joint holders.**

Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.

**165. Dividends how remitted.**

- a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

**166. Notice of dividend.**

Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

**167. No interest on Dividends.**

No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.

**168. Unpaid or unclaimed dividend**

- a) If the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, the Company shall, within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days, transfer the total amount of dividend, which remained so unpaid or unclaimed to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid Dividend Account".
- b) Any money so transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. "Investor Education and Protection Fund".

**CAPITALIZATION**

**169. Capitalization.**

- (1) The Company in General Meeting may, upon the recommendation of the Board, resolve:
  - (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and
  - (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:
  - (i) paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or

- (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).
- (3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.
- (4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

**170. Fractional Certificates.**

- (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —
  - (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and
  - (b) generally to do all acts and things required to give effect thereto.
- (2) The Board shall have full power -
  - (a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also
  - (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.
- (3) Any agreement made under such authority shall be effective and binding on all such members.
- (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 questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.

**171. Inspection of Minutes Books of General Meetings.**

- (1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.
- (2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.

**172. Inspection of Accounts**

- a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
- b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

**FOREIGN REGISTER**

**173. Foreign Register.**

The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.

**DOCUMENTS AND SERVICE OF NOTICES**

**174. Signing of documents & notices to be served or given.**

Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.

**175. Authentication of documents and proceedings.**

Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.

**WINDING UP**

**176.** Subject to the provisions of Chapter XX of the Act and rules made thereunder—

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

**INDEMNITY**

**177. Directors' and others right to indemnity.**

Subject to provisions of the Act, 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 to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act 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 officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.

**178. Not responsible for acts of others**

Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or 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, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.

## **SECRECY**

### **179. Secrecy**

- (a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

### **Access to property information etc.**

- (b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.



## SECTION X - OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Prospectus) which are or may be deemed material will be attached to the copy of the Draft Prospectus which shall be delivered to the RoC for registration. Copies of these contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Draft Prospectus until the Issue Closing Date.

#### 1. Material Contracts for the Issue

- 1) Memorandum of Understanding dated September 08, 2023 entered into between our Company and the Lead Manager.
- 2) Registrar Agreement dated September 08, 2023 entered into amongst our Company and the Registrar to the Issue.
- 3) Tripartite Agreement dated June 02, 2023 between our Company, NSDL and the Registrar to the Issue.
- 4) Tripartite Agreement dated June 05, 2023 between our Company, CDSL and the Registrar to the Issue.
- 5) Banker to the Issue Agreement dated [●] among our Company, Lead Manager, Banker to the Issue and the Registrar to the Issue.
- 6) Market Making Agreement dated [●] between our Company, Lead Manager and Market Maker.
- 7) Underwriting Agreement dated [●] amongst our Company and the Underwriters.

#### 2. Material Documents

- 1) Certified true copy of the Memorandum and Articles of Association of our Company, as amended from time to time including certificates of incorporation.
- 2) Certified true copy of resolution passed at the meeting of the Board of Directors of our Company dated August 31, 2023, authorizing the Fresh Issue of Equity Shares.
- 3) Certified true copy of special resolution of the shareholders passed at the Extra Ordinary General Meeting dated September 01, 2023, authorizing the Fresh Issue of Equity Shares.
- 4) Statement of Tax Benefits dated September 08, 2023 issued by Mittal Agarwal and Company, Chartered Accountants.
- 5) Peer Review Auditor's Report dated September 07, 2023 issued by Mittal Agarwal and Company, Chartered Accountants, on the Restated Financial Statements of our Company for the financial year ended on March 31, 2023, 2022 and 2021.
- 6) Certificate of deployment of funds certificate dated September 08, 2023 issued by our Statutory Auditor M/s Mittal Agarwal and Company, Chartered Accountants.
- 7) Copy of Audited Reports for Financial years 2020-2021, 2021-22 and 2021-23.
- 8) Consents of our Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, the Lead Manager, the Registrar to the Issue, the Statutory Auditors to the Company, Peer Review Auditor, the Legal Advisor to the Issue, Legal Advisor to the Company, Banker(s) to the Company, Market Maker(s), Underwriter(s), and the Banker(s) to the Issue/ Escrow Collection Bank(s) to act in their respective capacities.

- 9) Certificate of Key Performance Indicators (KPIs) dated September 08, 2023 issued by our Statutory Auditor, Mittal Agarwal and Company, Chartered Accountants.
- 10) Certificate of working capital requirement dated September 08, 2023 issued by Independent Peer Reviewed Chartered Accountant Firm- S N Gadiya & Co., Chartered Accountants.
- 11) Copy of approval from NSE vide letter dated [●], to use the name of NSE in this offer document for listing of Equity Shares on Emerge Platform of NSE Ltd.
- 12) Due Diligence Certificate dated September 11, 2023 from the Lead Manager to NSE.
- 13) Due Diligence Certificate dated [●] from the Lead Manager to be submitted to SEBI.

Any of the contracts or documents mentioned in the Draft Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India, and the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Draft Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in this Draft Prospectus are true and correct.

### SIGNATURE BY ALL THE DIRECTORS OF OUR COMPANY

Name of the Directors	Signature
<b>Arvind Sharma</b> <i>Chairman and Non- Executive Director</i> DIN No.: 10301091	Sd/- _____
<b>Saideep Shantaram Bagale</b> <i>Whole Time Director</i> DIN No.: 07196456	Sd/- _____
<b>Santosh Kumar Palaria</b> <i>Executive Director</i> DIN No.: 10094804	Sd/- _____
<b>Priyanka Yadav</b> <i>Independent Director</i> DIN No.: 08858855	Sd/- _____
<b>Dilip Kumar Swarnkar</b> <i>Independent Director</i> DIN No.: 10088552	Sd/- _____

### SIGNED BY THE CFO OF OUR COMPANY

**Chandrashekhar Harishchandra Meher**

*CFO*

Sd/-  
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**PLACE: Mumbai**

**DATE: September 11, 2023**

## **DECLARATION**

I, Rudolf John Corriea, Director of Ayesspea Holdings and Investments Private Limited, hereby certify that all the Statements, disclosures and undertakings Specifically made or confirmed in this Draft Prospectus in relation to ourselves, as a Selling Shareholder and our portion of the Offered Shares, are true and correct. We assume no responsibility for any other statements, disclosures and undertakings including any statements, disclosures and undertakings made or confirmed by or relating to the Company or any other Selling Shareholder or any other person(s) in this Draft Prospectus.

**SIGNED BY THE SELLING SHAREHOLDER TO THE OFFER**

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**Authorised Signatory**

**Name: Rudolf John Corriea**

**Designation: Director**

**DIN: 08333644**

**Place: Mumbai**

**Date: September 11, 2023**