THIS IS A PUBLIC ANNOUNCEMENT FOR INFORMATION PURPOSES ONLY. THIS IS NOT A PROSPECTUS ANNOUNCEMENT AND DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE FOR UNITS OR SECURITIES. NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY OUTSIDE INDIA.

Dated: December 25, 2023

KALAHRIDHAAN TRENDZ LIMITED
CIN: U17299GJ2016PLC092224
Incorporated on May 27, 2016 at Ahmedabad

Our Company was originally incorporated as "Kalahridhaan Trendz Private Limited" as a private limited company under the provisions of Companies Act, 2013 vide Certificate of Incorporation dated May 27, 2016 bearing Corporate Identification Number U17299GJ2016PTC092224 issued by the Registrar of Companies, Central Registration Centre. Subsequently, our Company was converted into a public limited Company pursuant to a special resolution passed by our shareholders at the EGM held on November 7, 2017 and consequently the name of our Company was changed to "Kalahridhaan Trendz Limited" and a fresh certificate of incorporation was issued by the Registrar of Companies, Ahmedabad dated November 27, 2017. The Corporate Identification Number of our Company is U17299GJ2016PLC092224. For further Details of Incorporation and Change in Registered Office of our Company, please refer to section titled "Our History and Certain Other Corporate Matters" beginning on page No. 106 of this Draft Prospectus.

Registered office: 57 Ashra Industrial Estate, B/H Mahalaxmi Fabrics,
Nr. Narol Cross Road, Ahmedabad 382405, Gujarat, India
Tel No.: +91 6353302166; **Website:** www.kalahridhaan.com; **E-Mail:** cs@kalahridhaan.com
Contact Person: Kushang Thakkar, Company Secretary and Compliance Officer

PROMOTERS OF THE COMPANY: NIRANJAN AGARWAL, SUNITADEVI AGARWAL AND ADITYA AGARWAL

THE ISSUE

INITIAL PUBLIC ISSUE OF UPTO 50,00,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH OF KALAHRIDHAAN TRENDZ LIMITED ("KTL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF₹ [●] PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING TO ₹[●] ("THE ISSUE"), OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹[●] PER EQUITY SHARE AGGREGATING TO ₹[●] WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e., NET ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹10/- EACH AT A PRICE OF ₹[●] PER EQUITY SHARE AGGREGATING TO [●] LACS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●]% AND [●]% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO SECTION TITLED "TERMS OF THE ISSUE" BEGINNING ON PAGE NO. 177 OF THE DRAFT PROSPECTUS.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10 EACH AND THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE

Potential Bidders may note the following:

1. The section titled "Summary of Issue Documents" beginning on page 14 of Draft Prospectus. Please note that all other details will be carried out in the offer document.
2. The section titled "Risk Factors" beginning on page 20 of Draft Prospectus has been updated has been updated to amend the details mentioned in risk factors section of this addendum. Please note that all other details will be carried out in the offer document.
3. The section titled "General Information" beginning on page 38 of Draft Prospectus has been updated by updating Changes in Auditors during the Last Three Years. Please note that all other details will be carried out in the offer document.
4. The section titled "Capital Structure" beginning on page 47 of Draft Prospectus has been updated by adding Ms. Sunitadevi Agarwal in the Promoter list. Please note that all other details will be carried out in the offer document.
5. The section titled "Our Business" beginning on page 81 of Draft Red Herring Prospectus has been updated as stated in this addendum. Please note that all other details will be carried out in the offer document.
6. The section titled "Our Management" beginning on page 109 of Draft Red Herring Prospectus has been updated in this addendum. Please note that all other details will be carried out in the offer document.
7. The section titled "Our Promoters and Promoter Group" beginning on page 119 of Draft Red Herring Prospectus has been updated by adding Ms. Sunitadevi Agarwal in the list of Promoters as stated in this addendum. Please note that all other details will be carried out in the offer document.
8. The section titled "Outstanding Litigation and Material Developments" beginning on page 158 of Draft Red Herring Prospectus has been updated to include the details on Taxation Matters. Please note that all other details will be carried out in the offer document.
9. The section titled "Government and Other Approvals" beginning on page 164 of Draft Red Herring Prospectus has been updated to include the details Approvals Applied but not yet received by the company. Please note that all other details will be carried out in the offer document.

LEAD MANAGER	REGISTRAR TO THE ISSUE
INTERACTIVE FINANCIAL SERVICES LIMITED **Address:** Office No. 508, Fifth Floor, Priviera, Nehru Nagar, Ahmedabad – 380 015, Gujarat, India **Tel No.:** 079 46019796 **(M)** +91-9898055647 **Web Site :** www.ifinservices.in **Email** : mbd@ifinservices.in **Investor Grievance Email:** info@ifinservices.in **Contact Person:** Mr. Pradip Sandhir **SEBI Reg. No.:** INM000012856	**BIGSHARE SERVICES PRIVATE LIMITED** **Address:** Office No. S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai - 400093 **Tel No.:** +91 22-62638200 **Fax No.:** +91 22-62638299 **Website:** www.bigshareonline.com **E-Mail:** ipo@bigshareonline.com **Investor Grievance Email**: investor@bigshareonline.com **Contact Person:** Mr. Vinayak Morbale **SEBI Reg. No.:** INR000001385

ISSUE PROGRAMME

ISSUE OPENS ON: [●]	ISSUE CLOSES ON: [●]

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SUMMARY OF ISSUE DOCUMENT

The addition of Sunitadevi Agarwal in the promoter list instead of promoter group shall be added and updated in this Chapter. Please note that all other details will be carried out/read as same in the offer document.

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

Sr. No	Name of share holder	Pre-issue		Post Issue	
		No of equity shares	As a % of Issued Capital	No of equity shares	As a % of Issued Capital
(i) Promoter					
1.	Aditya Agarwal	24,47,898	20.08	24,47,898	14.24
2.	Niranjan Agarwal	73,26,898	60.11	73,26,898	42.63
3.	Sunitadevi Agarwal	24,14,034	19.80	24,14,034	14.04
	TOTAL (A)	**1,21,88,830**	**99.99**	**1,21,88,830**	**70.91**
(ii) Public					
4.	Surendrasingh Rathod	34	Negligible	34	Negligible
5.	Rajeshkumar Agarwal	34	Negligible	34	Negligible
6.	Hitesh Prajapati	34	Negligible	34	Negligible
7.	Mahesh Sharma	34	Negligible	34	Negligible
8.	Sunil Maniyar	34	Negligible	34	Negligible
9.	IPO	-	-	50,00,000	29.09
10.	**TOTAL (C)**	**170**	**0.01**	**50,00,170**	**29.09**
11.	**TOTAL (A+B+C)**	**1,21,89,000**	**100.00**	**1,71,89,000**	**100**

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

The promoters have not acquired any Equity Shares in the last one (1) year preceding the date of this Draft Prospectus other than stated below:

Sr. No	Name of Promoter	No of Equity Shares acquired in the last one year from the date of this Draft Prospectus	Weighted Average Cost of Acquisition (in Rs)
1.	Mr. Aditya Agarwal	12,23,949	NIL
2.	Mr. Niranjan Agarwal	36,63,449	NIL
3.	Ms. Sunitadevi Agarwal	24,14,034	NIL

AVERAGE COST OF ACQUISITON

The average cost of acquisition per Equity Share to our Promoters as at the date of this Draft Prospectus is:

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition in ₹
1.	Mr. Aditya Agarwal	24,47,898	5.66
2.	Mr. Niranjan Agarwal	73,26,898	4.78
3.	Ms. Sunitadevi Agarwal	24,14,034	5.88

SECTION II–RISK FACTORS

The Risk Factors will be updated and arranged as under:

INTERNAL RISK FACTORS:

1. ***We do not own our registered office.***

   Our Registered Office is located at 57, Ashra Industrial Estate, B/h Mahalaxmi Fabrics, Near Narol Cross Road Ahmedabad -382405. The registered office is owned by M/s Manish Garments, a partnership firm of Mr. Niranjan Agarwal and Mr. Aditya Agarwal, Promoters of our Company. Our company has taken premises on rental basis from our promoters. The premises have been taken by us on lease basis since August 25, 2018. The Company has recently updated the lease agreement for the term of 5 years from August 01, 2023. There can be no assurance that the term of the agreements will be renewed and in the event the lessor/licensor terminates or does not renew the agreements on commercially acceptable terms, or at all, and we may require to vacate the registered office and identifying alternative premises and enter into fresh lease or leave and license agreement. Such a situation could result in loss of business, time overruns and may adversely affect our operations and profitability.

2. ***We do not own Dyeing and Printing unit and Godown.***

   Our Dyeing and printing Unit situated at 299, Matan Gali, Narol -Vatva Road, Ahmedabad, Pin – 382405 is taken on Lease from Devdiwala Mohmedsharif Ahmedji and others, the partners of Aradhna Textile Mills for a period of 50 months w.e.f. 01/02/2022 to 31/03/2026. The Company had taken Godown from the Devdiwala Mohmedsharif Ahmedji and others, the partners of Aradhna Textile Mills for a period of 50 months w.e.f. 01/02/2022 to 31/03/2026. There can be no assurance that the term of the agreements will be renewed and in the event the lessor/licensor terminates or does not renew the agreements on commercially acceptable terms, or at all, we may require to vacate the Dyeing and printing unit and Godown. We have to find out alternative premises for dyeing and printing unit and Godown, and enter into fresh lease or leave and license agreement. The shifting of the dyeing and printing unit require to obtain necessary licenses and permission from various government authorities for operation. Any delay in getting permission or licenses, delay in sourcing new premises and not getting the premises at the terms and conditions at which we are getting the present rented premises could result in loss of business, time overruns and may adversely affect our operations and profitability.

3. ***The top ten Buyers of Our Product and top ten suppliers for raw material contribute majority of revenue and source of Raw Material. We do not have long term agreement with the customer or supplier. The loss of any Customer or a decrease in the volume of order by any customer or any disruption in supply of raw material by any supplier may adversely affect our revenues and profitability.***

   The Revenue from top ten customers in the FY 2022-23, FY 2021-22 and FY 2020-21 was 66.28%, 60.68% and 45.07% of the total turnover. The loss of any customer or a decrease in the volume of orders may severely affect our revenues and profitability, if we are unable to develop and maintain a continuing relationship with our key customer or develop and maintain relationships with other new customers. The loss of a significant customer or a number of significant customers due to any reason whether internal or external related to their business may have a material adverse effect on our business and results of operations. Any decline in our Quality standards, growing competition and any change in the demand for our services by these customers may adversely affect our ability to retain them. The top ten customers are not related to the promoters or promoter group.

   The purchase from top ten suppliers in the FY 2022-23, FY 2021-2022 and FY 2020-21 was 64.44%, 66.17% and 75.17% of the total purchase of material. The loss of any supplier due to any reason or disruption of the supply by the supplier, if we are not able to agree with the terms and conditions for the supply of material or we are not able to find the alternative supplier of raw material with same terms and conditions at which we are buying the material, may severely affect our revenue and profitably. The top ten suppliers are not related to the promoters or promoter group.

4. ***There are outstanding litigations by and against our Company which if determined against us, could adversely impact financial conditions.***

   There are outstanding litigations by and against our Company. The details of this legal proceeding are given below in the following table:

Particular	Nature of cases	No of	Amount

		outstanding cases	involved (₹ in lacs)
Litigation against Company	Income Tax	1	6.80
Litigations Filed by Our Company	Criminal Litigations	1	32.20
	Civil Proceedings	2	79.88
Litigation against the Director of the Company	Income Tax	9	291.46
Litigation filed by the promoter and directors of the Company	-*	-	-
Litigation against Subsidiary Company	-	-	-

*Other than stated in the Litigation against Directors there are no other outstanding taxation matters with any of our Promoter.

For further details regarding outstanding litigations by and against companies please refer the chapter "Outstanding Litigations and Material Development" on page no 158 of this Draft Prospectus.

5. ***There have been instances of delay in filing of Goods and Service Tax (GST) returns and return of Tax Deducted at Source (TDS) dues.***

There have been instances of delay in filing of GST returns in the past which were due to initial technological issue with GST portal, limited time frame for staff to align with the amendments in the initial years and multiple clarifications issued by the GST authorities. A wrong filing of GST return can lead to huge penalties and interest. Therefore, reconciliation and checking of returns before submitting them is necessary as there is no opportunity to make any changes afterward. Hence, there were delays in filing of GST returns in order to include correct inputs from all stakeholders involved and make them error free. There were also some delays in payment of Tax Deducted at Source (TDS) primarily due to technical glitches on the portal. There can be no assurance that such delays may not arise in future. There is a possibility of financial penalties being imposed on us by the relevant Government authorities, which may have a material adverse impact on our cash flows and financial condition.

The delay in TDS return (26Q) are as follow in last 3 Financial Year:

Sr. No.	*F.Y. & quarter*	*Filling date (Delay days)*	*Reason for delay*
1.	*2022-23 (Q-3)*	*04.02.2023 (4 days)*	*Non avaibility of data as responsible person was not available at that time.*

The delay in GSTR-R1 return are as follow in last 3 Financial Year:

Sr. No.	*Month*	*Date of filling*	*Due date of filling*	*Reason for delay**
1.	*For FY 2020-21*	*-*	*11 of every next month*	*In FY 2020-21 all the forms have been filed after due date only because of the Covid -19 situation.*
2.	*April, 2021*	*07.06.2021*	*11.05.2021*	*Because of the regularisation of all transaction after Covd-19 effect.*
3.	*May, 2021*	*17.06.2021*	*11.06.2021*	
4.	*June, 2021*	*23.07.2021*	*11.07.2021*	

The delay in GSTR-3B return are as follow in last 3 Financial Year:

Sr. No.	*Month*	*Date of filling*	*Due date of filling*	*Reason for delay*
1.	*From Apr., 2020 to Dec., 2020*	*-*	*20 of every next month*	*In FY 2020-21 all the forms have been filed after due date only because of the Covid -19 situation.*
For Financial Year 2021-22				
2.	*April, 2021*	*09.06.2021*	*20 of every next month*	*Due to inefficiency of accounts department and management / promoters are concentrating on the business development, the reconciliation of purchase was not completed in time hence, delay in filling the GST Return took place. In the year majority time*
	May, 2021	*23.07.2021*		
	June, 2021	*23.07.2021*		
	July, 2021	*27.08.2021*		
	September, 2021	*25.10.2021*		
	October, 2021	*23.11.2021*		
	November, 2021	*08.01.2022*		

	December, 2021	*22.01.2022*		*delay was not more than 1 week.*
	January, 2022	*10.03.2022*		
	February, 2022	*25.03.2022*		
	March, 2022	*23.04.2022*		
For Financial Year 2022-23				
3.	*April, 2022*	*24.05.2022*	*20 of every next month*	*Due to inefficiency of accounts department and management / promoters are concentrating on the business development, the reconciliation of purchase was not completed in time hence, delay in filling the GST Return took place. In the year majority time delay was not more than 1 week.*
	May, 2022	*21.06.2022*		
	August, 2022	*23.09.2022*		
	September, 2022	*21.10.2022*		
	November, 2022	*04.01.2023*		
	January, 2023	*23.02.2023*		
	February, 2023	*23.03.2023*		
	March, 2023	*02.05.2023*		

**Please further note that there are many extensions granted by the Government for such filling for which we do not receive any data from the Company.*

6. ***Our business is dependent on our manufacturing facilities and we are subject to certain related risks; Unplanned slowdowns, unscheduled shutdowns or prolonged disruptions in our manufacturing operations or under – utilization of our manufacturing capacities could have an adverse effect on our business, results of operations, cash flows and financial condition.***

Our business is dependent on our ability to manage our manufacturing facility situated at Narol, Ahmedabad, including productivity of our workforce, compliance with regulatory requirements or changes in the policies of the state or local governments of this region or the Government of India and those instances which are beyond our control, such as the breakdown and failure of equipment or industrial accidents and severe weather conditions and natural calamities or civil disasters and pandemics, including the COVID–19 pandemic which caused certain disruptions in our operations in 2021 and may cause disruptions in the future, which may result in significant capital expenditure and changing our business strategy.

Our manufacturing facilities are subject to operating risks, such as the breakdown or failure of equipment, power supply or processes, performance below expected levels of output, efficiency, labour disputes, strikes, environmental issues, lock-outs, non-availability of services of our external contractors etc. Further, any significant malfunction or breakdown of our machinery or equipment at our manufacturing facilities may entail significant repair and maintenance costs and cause delays in our operations. If we are forced to shut down our manufacturing facility for a significant period of time, it would have a material adverse effect on our earnings, our results of operations and our financial condition as a whole. As such we have not faced any such instances till date.

We may also experience loss of, or a decrease in, revenue due to lower manufacturing levels. Our installed capacity at our manufacturing facility for Financial Year 2023, 2022 and 2021, was as follows;

Capacity and Capacity Utilization of Manufacturing/Weaving Unit

Sr. No.	Particulars	2022-23		2021-22		2020-21	
		Installed Capacity	Utilized Capacity	Installed Capacity	Utilized Capacity	Installed Capacity	Utilized Capacity
1	Embroidery Cloths (in mtrs)	500000	470000	500000	470000	500000	470000
2	Printed Cloths (in mtrs)	3000000	2700000	2500000	2200000	1800000	1600000

For further details, see heading "Capacity and Capacity Utilization" under chapter titled as "Business Overview" starting from on page 81 of this Draft Prospectus. In addition, we may be required to shut down our manufacturing facilities for various reasons such as maintenance, inspection, testing and capacity expansion. Further, the capacity utilization at our manufacturing facilities is subject to various factors such as availability of raw materials, power, water, efficient working of machinery and equipment and optimal manufacturing planning.

Our Manufacturing Facility is located in the State of Gujarat. In the event there are any disruptions at our manufacturing facilities, due to natural or man-made disasters, workforce disruptions, regulatory approval delays, fire, failure of machinery, lack of access to assured supply of electrical power and water at reasonable costs or any significant social,

political or economic disturbances, could reduce our ability to meet the conditions of our contracts, manufacture our products and adversely affect sales and revenues from operations in such period. Although we have not faced any such instances till the date of this Draft Prospectus.

In addition, any loss due to fire or industrial accident, any shutdown of our manufacturing facility could result in us being unable to meet with our commitments, which will have an adverse effect on our business, results of operation and financial condition. An inability to utilize our manufacturing facility to its full or optimal capacity, non-utilization of such capacities could have an adverse effect on our results of operations, cash flows and financial condition.

7. ***Our Restated Financial Statements are Prepared and Signed by the Peer Review Chartered Accountants who is not Statutory Auditors of our Company as required under the provisions of SEBI(ICDR) Regulations, 2018.***

   Our Restated Financial Statements are prepared and signed by M/s. S. N. Shah & Associates, the Peer Review Chartered Accountants, who is not the Statutory Auditor of the company. The last Audited Balance sheet of 31st March, 2023 have been Audited by Statutory Auditors M/s. Anuj H Agarwal & Associates, Chartered Accountants, however as per the requirements of clause no. (11)(A)(e) of Schedule VI of SEBI ICDR 2018. The Company have appointed M/s Piyush Kothari & Associates, Chartered Accountants, holding Peer Review Certificate as Statutory Auditor in the Annual General Meeting of the Company hold on September 25, 2023.

8. **At present, our promoter group companies Shree Laxminarayan Weaving Private Limited, Aadi Texworld Private Limited and Katex Exim Limited have similar objects to deal in the products in which issuer company is engaged which may create a conflict of interest. The partnership firm Manish Garments and M/s Aditya Exim a proprietary concern of Aditya Agarawal is also in the similar line of Business. Further, we do not enjoy contractual protection by way of a non-compete or other agreement or arrangement with our group companies.**

   At present, our promoter group companies Shree Laxminarayan Weaving Private Limited, Aadi Texworld Private Limited and Katex Exim Limited have similar objects to deal in products in which issuer company is involved. **The partnership firm M/s Manish Garments and M/s Aditya Exim a proprietary concern of Aditya Agarawal is also in the similar line of Business.** However, our Company has not signed any agreement / document with our Group Entity so as to confirm that they will not manufacture or sell products similar to our company in the market. The interests of these Group Entities may conflict with our Company's interests and / or with each other.

9. ***We have not executed any agreement with any of our labours who are on Job work basis.***

   We have 80% of our labours on the Job Work basis in our organisation. We have neither any written agreement nor any commitment with any of our job work labours. In absence of any type of the commitment with the job workers, we are not sure that they will continue to work with us as job workers and the commercial terms will be favorable to the Company. If we are not able to get the job workers, efficiency in working of job workers, upward revision in the rate will disturb our production and increase in the manufacturing cost which will affect adversely our financial performance and profitability. we are getting easily job workers from the local market only, hence, we believe that we are not required to entered in to any such type of contract with the job workers.

10. ***Our business is manpower intensive and any unavailability of our employees or shortage of labour or any strikes, work stoppages, increased wage demands by workmen or changes in regulations governing hiring of labour may have an adverse impact on our cash flows and results of operations.***

    Our business is labour intensive and we are dependent on the availability of our permanent employees and the supply of a sufficient pool of labourers at our factories. Unavailability or shortage of such a pool of workmen or any strikes, work stoppages, increased wage demands by workmen or changes in regulations governing hiring of labour may have an adverse impact on our cash flows and results of operations.

    We are subject to laws and regulations relating to employee welfare and benefits such as minimum wage, working conditions, employee insurance, and other such employee benefits and any changes in the existing labour legislations, including upward revision of wages required by such state governments to be paid to such labourers, limitations on the number of hours of work or provision of improved facilities, such as food or safety equipment, may adversely affect our business and results of our operations.
    Further, there can be no assurance that disruptions in our business will not be experienced in future, if there are strikes, work stoppages, disputes or other problems with labourers at our manufacturing units, this may adversely affect our business and cash flows and results of operations.

For Further details, please refer to chapter titled "Business Overview" beginning on Page 81 of this Draft Prospectus.

11. ***Our business and the demand for our products is reliant on the success of our customers' products with end consumers and any decline in the demand for the end products could have an adverse impact on our business, results of operations, cash flows and financial condition.***

Our revenue is materially attributable from Textiles, through Wet Processing & Finishing Machines from Scouring and Bleaching to Dyeing & Printing to Finishing and Folding with the latest fully Automatic Control Instruments. The demand for our products and margin of our products is dependent and are directly affected by factors affecting these industries. Consequently, any reduction in demand or a temporary or permanent discontinuation of manufacturing of products on account of breakthrough in the development or invention of alternate formulations, may expose us to the risk of our products becoming obsolete or being substituted by such alternatives. Any failure on our part to effectively address such situations or to successfully introduce alternate products or the shifting of the practice in these industries towards developing substitutes of our products could adversely affect our business, results of operations, financial condition and cash flows.

Further, we cannot assure you that we will be able to successfully make timely and cost-effective enhancements and additions to our technological infrastructure, keep up with technological improvements in order to meet our customer needs or that the technology developed by others will not render our products less competitive or attractive. Our failure to successfully adopt such technologies in a cost effective and a timely manner could increase our costs and lead to us being less competitive in terms of our prices or quality of products. The development and commercialization process of a new product would require us to spend considerable time and money. Delays in any part of the process, our inability to obtain necessary regulatory approvals for our future products or failure of a product to be successful at any stage could adversely affect our business.

12. **The Company is irregular in depositing the Provident Fund collected from the salary of employees and contribution by company with the PF Authority as well as filing the return as per PF Act.**

The Company is required to deposit the PF collected from the salary of employees and contribution by company with the PF Authority with in the stipulated time as per PF Act. Company has defaulted many times in timely deposits of PF amount with the concerned Authorities in past. Though, company has made payment of due amount to the concerned Authorities and neither the concerned Authorities have taken any action against the company nor imposed any specific penalty on company till date. The company was continuously filling EPF return delay in FY 2020-21 & 2021-22. Previously the Company does not have any administrative person looking after compliance of PF Act & relying upon the consultant for the same. Since FY 2022-23, Company is regular in filling EPF Return from April, 2022 till Sep, 2023 except there is delay by one day in two months i.e. October, 2022 and July, 2023, because of technical reasons on the site. The company's practice of late deposit of the statutory dues to concerned Authorities may lead any disciplinary action against the company, which will adversely affect our financial conditions.

13. **The brand name** **has been registered under the name of our Company name. Any failure to protect our intellectual property could have a material adverse effect on our business.**

As on date of the Draft Prospectus, the brand name " " has been registered under Class 24 of the Trade Mark Act, 1999 which is valid for 10 years w.e.f. August 08, 2019. We are carrying out our business using our above referred logo and our customers are well versed with our logo with our Company and its operations. Our ability to compete effectively depends upon our ability to protect our rights in trademarks and other intellectual property that we have been registered. We seek to protect our logos, brand names by relying on trademarks and domain name registrations. However, our efforts to protect our intellectual property may not be adequate. The use of our name and logo is our own identity and recognition to our competitiveness and success for us to attract and retain our customers and business associates. Further, we cannot assure you that the measures we have taken will be sufficient to prevent any misuse or infringement of our intellectual property. In case of any misuse or infringement of our intellectual property rights by our competitors will have adverse effect on reputation, business operation and profitability.

For further details regarding other applicable Government and Statutory Approvals please refer the chapter " Government and Statutory Approvals " on page no -- of this Draft Prospectus.

14. ***Our Object has not been appraised by any Bank or Financial Institution. Any significant deviation in the Object could adversely impact our operations and sustainability in absence of any independent monitoring agency.***

Our company intends to utilize proceeds from issue for working capital requirements, General Corporate Purpose and to fund Public Issue Expenses. We have estimated fund raising to the extent of [●] Lakh to finance the 'Objects of the Issue' (including Issue Expenses). The proposed objects for which the funds are being raised have not been appraised by any Bank or Financial Institution and the fund requirements are based primarily on management estimates. There is no guarantee that our estimates will prove to be accurate and any significant deviation in the fund requirement could adversely impact our operations and sustainability in the absence of any independent monitoring agency.

For details of the "Object of the Issue", please refer Page 58 of this Draft Prospectus.

15. ***Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes which constitute 25% of the Issue Proceed. As on date we have not identified the use of such funds.***

Portion of our Issue Proceeds are proposed to be utilized for general corporate purposes which constitute 25% of the Issue Proceed. We have not identified the general corporate purposes for which these funds may be utilized. The deployment of such funds is entirely at the discretion of our management in accordance with policies established by our Board of Directors from time to time and subject to compliance with the necessary provisions of the Companies Act. For details please refer the chapter titled "Objects of the Issue" beginning on Page 58 of this Draft Prospectus.

16. **The Company is irregular in filling the RoC Forms as well as delayed in compliance of the Allotment rules as per Companies Act, 2013.**

As per section 56(4) of Companies Act, 2013 every company must deliver the certificates of all securities allotted within a period of 2 months from the date of allotment. In our Company, the Company has allotted Bonus Equity Shares of 25,09,545 on January 30, 2019, which was credited in the demat account of share holders in the month of January, 2023, which is delayed as per the section 56(4) of Companies Act, 2013.

Further, our Company is not regular in filling RoC forms as per the timeline stated in Companies Act, 2013. Many a times Company has paid late filling fees for the delayed in RoC Form filling. The company's practice of late filling of forms to concerned Authorities may lead any disciplinary action against the company, which will adversely affect our financial conditions. Please further note that till date the Company has not received any penalties or notice for the same.

17. ***Any increase in the cost of our raw material or other purchases or a shortfall in the supply of our raw materials, may adversely affect the pricing and supply of our products and have an adverse effect on our business, results of operations and financial condition.***

The success of our operations depends on a variety of factors, including our ability to timely source raw materials at competitive prices. Raw material supply and pricing can be volatile due to a number of factors beyond our control, including demand and supply, general economic and political conditions, transportation and labour costs, natural disasters, competition and there are inherent uncertainties in estimating such variables, regardless of the methodologies and assumptions that we may use. We seek to source our raw materials from reputed suppliers. We do not enter into long-term agreements with our suppliers for purchase of raw material. We may be required to track the supply demand dynamics and regularly negotiate prices with our suppliers in case of significant fluctuations in raw material prices.

Further, any increase in raw material prices may result in corresponding increases in our product costs. Our ability to pass on any increases in the costs of raw materials and other inputs to our customers may be limited. There may be a significant difference in the price of raw materials when raw materials are ordered and paid for and the prevailing price when the raw materials are received and we may not be able to pass on the difference in the prices to our customers. A failure to maintain our required supply of raw materials, and any inability on our part to find alternate sources for the procurement of such raw materials, on acceptable terms, could adversely affect our ability to deliver our products to our customers in an efficient, reliable and timely manner, and consequently adversely affect our business, results of operations and financial conditions.

18. ***Our operations depend on the availability of timely and cost-efficient transportation and other logistic facilities and any prolonged disruption may adversely affect our business, results of operations, cash flows and financial conditions.***

Our operations are dependent on the timely transport of raw materials to our manufacturing facilities and of our products to our customers. We typically rely on third party transportation providers for transportation of Raw Material to our manufacturing facility and finished products from our manufacturing facility to our customers, which are subject to various bottlenecks, including road blocks, weather, strikes or civil disruptions. We may experience disruption in the

transportation of raw materials by road and delivery of the products to our customers due to bad weather conditions. Any failure to deliver our products to our customers in an efficient, reliable and timely manner could have an adverse effect on our business, results of operations, cash flows and financial conditions.

19. Our Company depends on timely identification of evolving fashion trends and creating new designs. Any delay on the part of our Company in this regard may adversely affect our business operations.

Our Company is mainly engaged in the business of manufacturing and trading of fabric with embroidery works and printing and dyeing for preparing suiting, shirting and dress materials for sale it in the market. Our business is driven by recent clothing fashion trends which is dynamic and ever changing and we may not be able to adapt to such changes and maintain our growth in face of the competitive environment that we currently operate in. We maintain a team of experienced person who design and develop the products as per customer's needs and ascertaining the future market trend of our products. This team works on the development of designs by analyzing the needs of clients by parameters like latest combinations, new techniques & patterns and most importantly the feedback gained from the sales of the similar products that were designed earlier. Our inability to tap the changing fashion can lead to rejection of our materials, which result in to damaging our goodwill, business operations and financial conditions.

20. Our inability to manage the demand of existing product range and our manufacturing capacities and execute our growth strategy in a timely manner or within budget estimates, or our inability to meet the expectations to track the changing preferences of our customers or other stakeholders could have an adverse effect on our business, results of operations and financial condition.

Our inability to manage the expansion of our products range and manufacturing capacities and execute our growth strategy in a timely manner or within budget estimates, or our inability to meet the expectations to track the changing preferences of our customers or other stakeholders could have an adverse effect on our business, results of operations and financial condition. We intend to meet existing demand of our product(s) range and manufacturing capacities to pursue the overall potential in market. For details, see Business Strategies in chapter titled as "Business Overview" on page 81 and details related to existing business, Machinery and capacity and please refer to chapter titled "Objects of the Issue" on page 58 of this Draft Prospectus. Our future prospects will depend on our ability to grow our business and operations, which could be affected by many factors, including our ability to introduce and innovate new products and maintain the quality of our products, general political and economic conditions in the geographies in which we operate, government policies or strategies in respect of specific industries, prevailing interest rates, price of equipment and raw materials, power supply.

21. Our Group Companies have incurred losses in the past

(Rs. In lacs)

Particulars	March 31, 2022
Odles E-Commerce Private Limited	(10.84)

One of our Group Company named, Odles E-Commerce Private Limited incorporated on December 08, 2021 with the object of "To provide service of E-commerce business for B2B Transaction and to collect, sale purchase online orders for the business". In the first Financial Year i.e. 2021-22, the Company had booked loss of Rs. 10.84 lakhs.

22. Our insurance coverage may not be sufficient or adequate to protect us against all material hazards or business losses, which may adversely affect our business, results of operations and financial condition.

Our insurance policy coverage includes fire & theft policy, Employee Workman compensation. We could be held liable for accidents that occur at our manufacturing facilities or otherwise arising out of our operations. In the event of personal injuries, fires or other accidents suffered by our employees or other people, we could face claims alleging that we were negligent, provided inadequate supervision or be otherwise liable for the injuries.

While we believe that the insurance coverage which we maintain would be reasonably adequate to cover the normal risks associated with the operation of our business.we suffer loss or damage, for which we have not obtained or maintained insurance, or which is not covered by insurance, which exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations and financial condition could be adversely affected. In addition, our insurance policies expire from time to time and we may not be able to renew our policies in a timely manner, or at acceptable cost.

We cannot assure you that, in the future, any claim under the insurance policies maintained by us will be honoured fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. Further, an insurance claim once made could lead to an increase in our insurance premium, result in higher deductibles and also require us to spend towards addressing certain covenants specified by the insurance companies.

23. Our Company has unsecured loans, which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our business operations and financial condition of our Company.

As on March 31, 2023, our Company has availed of unsecured loans from the promoters and promoter group repayable on demand aggregating to Rs. 2166.81 Lacs. Any demand by the lender for the repayment of unsecured loan will disturb the cash flow of the Company and it will disturb our production cycle and if we are not able to replace the loan with the same terms or more favorable terms then the revenue, profitability and business will be adversely affected. However the promoters have given personal guarantee for the loan sanctioned by the bank and one of the condition is to maintain the funds brought in by the Company. If the Promoter withdraws the unsecured loan, it will be violation of the condition of the sanction of bank and bank may recall the loan disbursed to the Company and that will hamper the business of the Company. For details on unsecured loan please refer to the chapter titled "Financial Indebtedness" beginning on Page No. 152 of this Draft Prospectus.

24. In addition to normal remuneration, other benefits and reimbursement of expenses to our Promoters and Directors; they are interested to the extent of their shareholding and dividend entitlement thereon in our Company and for the transactions entered into between our Company and themselves as well as between our Company and our Group Companies/Entities.

Our Promoter and Directors are interested in our Company to the extent of their shareholding and dividend entitlement thereon, in addition to normal remuneration or benefits and reimbursement of expenses. Our Promoter and Directors are interested in the transactions entered into between our Company and themselves as well as between our Company and our Group Company/Entity for purchase /sales of goods and services. All transactions with related parties entered into by the company in past were at arm's length basis, in compliance with applicable provisions of Companies Act, 2013 and other applicable provisions. Our company, promoter and group companies may enter into such related party transaction in future as well which may be or may not be at Arms' Length basis and in Ordinary Course of Business. If such future transactions are not on Arms' Length basis and in Ordinary Course of Business, our financial position may get affected to that extent. For details of transactions already executed by our Company with our Promoter, Directors and Group Companies/Entities during last three years, please refer to the "Note AB– Related Party Transaction" under the Chapter titled "Restated Financial Information" beginning on Page No. 123 of this Draft Prospectus.

25. Our future success depends significantly on the continued service of our promoters, management team and other key personnel.

We depend on our experienced promoters, management team for our success and future growth loss of one or more key executives could have a negative impact on our business and growth. The industry experience, expertise and contributions of our promoters, management team, key personnel and our Promoters are essential for our continuing success. We may be unable to replace key members of our management team and key employees in the event we lose their services as there is intense competition for qualified personnel in our business. Lose of any senior management team members may have adverse effect on our sales, business operations and profitability.

26. Our Company is subject to high working capital requirements and our inability to fund these requirements in a timely manner may adversely impact our financial performance.

As on March 31, 2023 the Company's net working capital consisted of Rs. 7035.74 Lakhs, Net working capital requirement for current financial year F.Y. 2023-24 is estimated to be Rs. 8654.27 Lakhs. As on the date of this Draft Prospectus we meet our working capital requirements in the ordinary course of its business from capital, Short term Borrowings, internal accruals, Long term unsecured loans, etc. The Additional working capital is required looking to the growth of the business.

Basis of estimation of working capital requirement and estimated working capital requirement:

(Rs. In Lacs)

Particulars	31.03.2021	31.03.2022	31.03.2023	31.03.2024
	Audited	Audited	Audited	Projected
Raw Material	1484.94	1044.3	317.18	1022.27

Work in Progress				
Finished Goods	2118.46	4179.19	4467.22	5125.00
Trade Receivables	2087.52	4801.05	5469.71	6150.00
Cash and Bank Balances	10.77	7.68	5.84	15.00
Short term Loans and advances	187.95	133.08	136.1	150.00
Other current Assets	0.87	-	-	-
Total	**5890.51**	**10165.3**	**10396.05**	**12462.27**
Less :				
Trade Payables	1852.4	3803.66	3189.68	3608.00
Other Current Liabilities	28.42	24.64	33.61	50.00
Provisions	62.1	70.91	137.02	150.00
Total Liabilities	**1942.92**	**3899.21**	**3360.31**	**3808.00**
Net Working Capital	3947.59	6266.09	7035.74	8654.27
Less : Bank Borrowings	1671.23	3469.89	3496.37	3500.00
Balance	2276.36	2796.2	3539.37	5154.27
Financed through Capital Internal Cash Accruals and unsecured Borrowings	2276.36	2796.2	3539.37	3547.29
Fund from IPO				1606.98

If we are not able to manage the working capital requirement properly then the growth, profitability and business will be adversely affected.

27. Any defaults or delay in payment by a significant portion of our customers, may have an adverse effect on our cash flows, results of operations and financial condition.

Credit risk is the risk of financial loss to our Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. In the ordinary course of business, we provide our customers with certain credit periods as part of our payment terms. While we generally limit the credit, we extend to our customers based on their financial condition and payment history, we may still experience losses because of a customer being unable to pay. We are exposed to credit risk from our operating activities, primarily from trade receivables. Our total receivables as on March 31, 2023 stood s at Rs. 5463.26 Lakhs.

Our results of operations and profitability depends on the credit worthiness of our customers. We cannot assure that these customers will always be able to pay us in a timely manner, or at all. Any adverse change in the financial condition of our customers may adversely affect their ability to make payments to us. Further, any increase in our receivable turnover days or write-offs will negatively affect our business. Any default or delays in payment of receivables by our customers may have adverse effect on cash flows, results of operations and financial condition.

28. We have experienced negative cash flows in previous years / periods. Any operating losses or negative cash flows in the future could adversely affect our results of operations, liquidity and financial condition.

Our Company had negative cash flows from operating activities, in the previous years as per the Restated Financial Statements and the same are summarized as under.

(₹ In Lacs)

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Net Cash Generated from Operating Activities	(68.11)	11.74	(539.83)

For details, please refer "Management's Discussion and Analysis of Financial Conditions and Results of Operations of our Company" on page no. 147 of this Draft Prospectus.

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If our Company is not able to generate sufficient cash flows, it may adversely affect our business and financial operations.

29. Changes in technology may affect our business by making our equipment or products less competitive or obsolete.

Our future success will depend in part on our ability to respond to technological advances and emerging textile Industry

standards and practices on a cost-effective and timely basis. Changes in technology and product preferences may make newer textile units or equipment more competitive than ours or may require us to make additional capital expenditures to upgrade our facilities. If we are unable to adapt in a timely manner to changing market conditions, customer requirements or technological changes, our business, financial performance and the trading price of our Equity Shares could be adversely affected.

30. Significant disruptions of information technology systems or breaches of data security could adversely affect our business.

We depend upon information technology systems and third-party software, including internet-based systems, for our business operations, and these systems facilitate the flow of real-time information across departments and allows us to make information driven decisions and manage performance. The size and complexity of our computer systems make them potentially vulnerable to breakdown, malicious intrusion and computer viruses. Any such disruption may result in the loss of key information and disrupt our operations. In addition, our systems are potentially vulnerable to data security breaches, whether by employees or others that may expose sensitive data to unauthorized persons. Such data security breaches could lead to the loss of trade secrets or other intellectual property, or could lead to the public exposure of personal information (including sensitive personal information) of our employees, customers and others. Although we have not experienced any significant disruptions to, or security breaches of, our information technology systems, however, we cannot assure you that we will not encounter such disruptions in the future and any such disruptions or security breaches could have an adverse effect on our business and reputation.

31. We operate in a competitive business environment. Competition from existing players and new entrants and consequent pricing pressures may adversely affect our business, financial condition and results of operations.

We operate in a highly competitive business environment. Growing competition in the domestic market from domestic players and/or the international players, we are subject to pricing pressures and require us to reduce the prices of our products in order to retain and/or attract new customers, which may have a material adverse effect on our revenues and margins. Some of our competitors may be increasing their capacities and targeting the same products in which we are dealing. There can be no assurance that we can continue to effectively compete with our competitors in the future, any failure to compete effectively may have an adverse effect on our business, financial condition and results of operations.

32. 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 our Audit Committee.

The issue proceeds are entirely at the discretion of the issuer/management. As per SEBI (ICDR) Regulations, 2018, appointment of monitoring agency is required only if Issue size exceeds ₹ 10,000 Lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, as per the Section 177 of the companies Act, 2013 the Audit Committee of our Company would be monitoring the utilization of the Issue Proceeds.

33. We are subject to the restrictive covenants of banks in respect of the Loan/Credit Limit and other banking facilities availed from them.

We have entered into agreements for availing debt facilities from lenders. Certain covenants in these agreements require us to obtain approval/permission from our lenders in certain cases. In the event of default or the breach of certain covenants, our lender has the option to make the entire outstanding amount payable immediately. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain consents necessary to take the actions that we believe are required to operate and grow our business. In the event we breach any financial or other covenants contained in certain of our financing arrangements, we may be required under the terms of such financing arrangements to immediately repay our borrowings either in whole or in part, together with any related costs. This may adversely impact our results of operations and cash flows.

34. Our Promoters and Promoter Group will continue to exercise control post completion of the Issue and will have considerable influence over the outcome of matters.

Upon completion of this Issue, our Promoters and Promoters Group will continue to own a majority of our Equity Shares (i.e. 70.91% shares of post Issue Share Capital). As a result, our Promoters and Promoters group will have the ability to exercise significant influence over all matters requiring shareholders' approval. Our Promoters and Promoters group will also be in a position to influence any shareholder action or approval requiring a majority vote, except where they may be required by applicable law to abstain from voting. This control could also delay, defer or prevent a change

in control of our Company, impede a merger, consolidation, takeover or other business combination involving our Company, or discourage a potential acquirer from obtaining control of our Company even if it is in the best interests of our Company. The interests of our Promoters and Promoters group could conflict with the interests of our other equity shareholders, and the Promoters could make decisions that materially and adversely affect your investment in the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters and Promoters group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. Except as disclosed in "Capital Structure" on page 48 of this Draft Prospectus, we cannot assure you that our Promoters will not dispose of, pledge or encumber their Equity Shares in the future.

35. ***We may require additional financing for our business operations and the failure to obtain additional financing on terms commercially acceptable to us may adversely affect our ability to grow and our future profitability. Further, fluctuations in interest rates could adversely affect our results of operations.***

We may require additional capital for our business operations. Our ability to obtain additional financing on favourable terms, if at all, will depend on a number of factors including our financial condition, results of operations and cash flows, the amount and terms of our existing indebtedness, security, our track record of compliance of the covenants contained in our financial agreements, general market conditions and market conditions for financing activities andthe economic, political and other conditions in the markets where we operate. We cannot assure that we will be able to raise additional financing on acceptable terms in a timely manner or at all. Our failure to renew arrangements for existing funding or obtain additional financing on acceptable terms and in a timely manner could adversely impact our ability to incur capital expenditure, our business, results of operations and financial condition.

Further, an increase in the interest rates on our existing or future debt will increase the cost of servicing such debt. An increase in interest expense may have an adverse effect on our business prospects, financial condition and results of operations.

For further details regarding our business refer chapter titled "Business Overview" on page 81 of this Draft Prospectus.

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

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations financial condition, cash requirements, business prospects and any other financing arrangements.

Additionally, we may not be permitted to declare any dividends under the loan financing arrangement that our Company may enter into future, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof.

Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value.

37. ***We have not made any alternate arrangements for meeting our capital requirements for the Objects of the issue. Further we have not identified any alternate source of financing the "Objects of the Issue".***

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 issue. We meet our capital requirements through our bank finance, debts, 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 issue or any shortfall in the issue 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 58 of this Draft Prospectus.

38. Certain information contained in this Draft Prospectus is based on management estimates and we cannot assure you of the completeness or accuracy of the data.

Certain information contained in this Draft Prospectus like our funding requirements including proposed working capital requirement assessment, and our proposed use of issue proceeds is based solely on management estimates. The estimated project dates as well as costs may change depending on the circumstances like changes in laws and regulations, competition, irregularities or claims with respect to title of land, the ability of third parties to complete their services, delays, cost overruns or modifications to our ongoing and planned projects. Such circumstances can have an impact on our financial condition and results of operation.

39. In the event there is any delay in the completion of the Issue, there would be a corresponding delay in the completion of the objects of this Issue which would in turn affect our revenues and results of operations.

The funds that we receive would be utilized for the objects of the Issue as has been stated in the section "Objects of the Issue" on page 58 of the Draft Prospectus. The proposed schedule of implementation of the objects of the Issue is based on our management's estimates. If the schedule of implementation is delayed for any other reason whatsoever, including any delay in the completion of the Issue this may affect our revenues and results of operations.

40. Any variation in the utilization of the Net Proceeds as disclosed in this Draft Prospectus shall be subject to certain compliance requirements, including prior approval of the shareholders of our Company.

We propose to utilize the Net Proceeds towards Construction of Factory Shed, Commissioning of Solar Plant, working capital requirement, and general corporate purposes. For further details of the proposed objects of the Issue, see "Objects of the Issue" on page 58. However, these objects of the Issue have not been appraised by any bank, financial institution or other independent agency. Further, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of the competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with the provisions of the Companies Act, 2013 and the SEBI ICDR Regulations, we cannot make any variation in the utilization of the Net Proceeds other than 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 circumstances that require us to vary the disclosed utilization of the Net Proceeds, 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.

Further, our Company, if applicable, would be required to provide an exit opportunity to the shareholders of our Company who do not agree with our proposal to modify the objects of the issue, at a price and manner as prescribed by SEBI. Additionally, the requirement on Promoters, if applicable, to provide an exit opportunity to such dissenting shareholders of our Company may deter the Promoters or controlling shareholders from agreeing to the variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company.

Further, we cannot assure you that the Company, will have adequate resources at their disposal at all times to enable them to provide an exit opportunity. In light of these factors, we may not be able to vary the objects of the issue to use any unutilized proceeds of the Fresh 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 re-deploying the unutilized portion of the issue Proceeds, if any, which may adversely affect our business and results of operations.

41. The average cost of acquisition of Equity Shares by our Promoters is lower than the Issue Price.

Average cost of acquisitions of our Promoters viz. Mr. Niranjan Dwarkaprasad Agarwal is Rs.4.78, Ms. Sunitadevi Agarwal is 5.88 and Aditya Agarwal is Rs.5.66 which is lower than the Issue Price to be decided by the Company in consultation with the Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoter in our Company, please refer to the chapters "Capital Structure" beginning on page 47 of this Draft Prospectus.

42. *We have been recently converted into public limited company and any non-compliance with the provisions of Companies Act, 2013 may attract penalties against our Company which could impact our financial and operational performance and reputation.*

Our Company has been incorporated as a private limited company pursuant to the provisions of Companies Act, and converted into a public limited company pursuant to special resolution passed at the Extra Ordinary General Meeting.

Prior to conversion, the provisions pertaining to public limited companies of the Companies Act, 2013 were not applicable to us. However, consequent to the aforesaid conversion, our Company is required to observe compliance with various provisions pertaining to public limited companies of the Companies Act, 2013. Further, our Company needs to additionally comply with provisions of SEBI ICDR Regulations and SEBI (LODR) Regulations.

Though our Company will take due care to comply with the provisions of the Companies Act and other applicable laws and regulations. In case of our inability to timely comply with the requirements or in case of any delay, we may be subject to penal action from the concerned authorities which may have an adverse effect on our financial and operational performance and reputation.

43. ***The requirements of being a listed company may strain our resources and distract management.***

We have no experience as a listed company and have not been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public that is associated with being a listed company. As a listed company, we will incur additional legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the listing agreements with the Stock Exchanges and compliances of SEBI Listing Regulation, 2015(LODR) which would require us to file audited annual and unaudited semi-annual and limited review reports with respect to our business and financial condition. If we delay making such filings, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as timely as other listed companies.

As a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions to support the existence of effective disclosure controls and procedures, internal control over financial reporting and additional compliance requirements under the Companies Act, 2013. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management oversight will be required. As a result, management's attention may be diverted from other business concerns, which could adversely affect our business, prospects, financial condition and results of operations. In addition, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge and we cannot assure you that we will be able to do so in a timely manner.

GENERAL INFORMATION

The Below point will be inserted in the Prospectus along with the name of other intermediaries.

Peer Reviewed Auditor for the Restated Financials for this Issue

Name :S.N Shah & Associates
C.A Priyam Shah (Partner)
Address :Sapan House , C.G Road Opp. Municipal Market
Navrangpura, Ahemdabad
Telephone :+919825048898. 079-40098280
Email : info@snshahassociates.com
Contact Person: C.A Priyam Shah
Firm Registration Number: 109782W
Membership Number : 144892
Peer Review Registration Number: 013759

CAPITAL STRUCTURE

The addition of Sunitadevi Agarwal in the promoter list instead of promoter group shall be added and updated in this Chapter. Please note that all other details will be carried out/read as same in the offer document.

1. Our Company has not issued any Equity Shares during a period of one year preceding the date of the draft Prospectus at a price lower than the Issue price except other than below:

Date of Allotment	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reason / Nature of Allotment	Name of Allottees	No. of Shares Allotted	Promoter/ Promoter Group
July 10, 2023	6,094,500	10	N.A	Consideration other than cash	Bonus Issue in the ratio of (1:1) i.e. 1 Equity Shares for 1 existing Equity Shares for Capitalisation of Reserves and Retaining interest of the Shareholders	Aditya Agarwal	12,23,949	Promoter
						Sunitadevi Agarwal	12,07,017	Promoter
						Niranjan Agarwal	36,63,449	Promoter
						Surendra Singh Rathod	17	Public
						Rajesh Agarwal	17	Public
						Hitesh Prajapati	17	Public
						Mahesh Sharma	17	Public
						Sunil Maniyar	17	Public

2. The shareholding pattern before and after the Issue:

Sr. No	Name of share holder	Pre-issue		Post Issue	
		No of equity shares	As a % of Issued Capital	No of equity shares	As a % of Issued Capital
(i) Promoter					
1.	Aditya Agarwal	24,47,898	20.08	24,47,898	14.24
2.	Niranjan Agarwal	73,26,898	60.11	73,26,898	42.63
3.	Sunitadevi Agarwal	24,14,034	19.80	24,14,034	14.04
	TOTAL (A)	**1,21,88,830**	**99.99**	**1,21,88,830**	**70.91**
(ii) Public					
4.	Surendrasingh Rathod	34	Negligible	34	Negligible
5.	Rajeshkumar Agarwal	34	Negligible	34	Negligible
6.	Hitesh Prajapati	34	Negligible	34	Negligible
7.	Mahesh Sharma	34	Negligible	34	Negligible
8.	Sunil Maniyar	34	Negligible	34	Negligible
9.	IPO	-	-	Upto 50,00,000	29.09
10.	**TOTAL (C)**	**170**	**0.01**	**50,00,170**	**29.09**
11.	**TOTAL (A+B+C)**	**1,21,89,000**	**100.00**	**1,71,89,000**	**100**

3. Share Capital Build-up of our Promoters & Lock-in:

Our Promoters had been allotted Equity Shares from time to time. The following is the Equity share capital build-up of our Promoters.

Date of Allotment / Transfer	Nature of Issue/ Allotment (Bonus, Rights etc)	Consideration	No. of Equity Shares	Cumulative No. of Equity Shares	Face Value (Rs.)	Issue/ Transfer Price	% of total Issued Capital		Lock In
							Pre-Issue	Post-Issue	
Aditya Agarwal									
May 27, 2016	Subscriber to MOA	Cash	5,000	5,000	10	10	0.04	0.03	[●]
September 29, 2016	Preferential Allotment	Cash	50,000	55,000	10	10	0.41	0.29	[●]
December 28, 2017	Preferential Allotment	Cash	5,60,000	6,15,000	10	20	4.59	3.26	[●]
July 26, 2018	Right Issue	Cash	1,05,000	7,20,000	10	20	0.86	0.61	[●]
August 20, 2018	Share Transfer	Cash	(30)	7,19,970	10	10	-	-	[●]
January 30, 2019	Bonus Issue	Other than Cash	5,03,979	12,23,949	10	N.A.	4.13	2.93	[●]
July 10, 2023	Bonus Issue	Other than Cash	12,23,949	24,47,898	10	N.A.	10.04	7.12	[●]
	TOTAL (A)		**24,47,898**				**20.08**	**14.24**	
Niranjan Agarwal									
May 27, 2016	Subscriber to MOA	Cash	5,000	5,000	10	10	0.04	0.03	[●]
September 29, 2016	Preferential Allotment	Cash	8,00,000	8,05,000	10	10	6.56	4.65	[●]
October 14, 2017	Share Transfer	Cash	(30)	8,04,970	10	10	-	-	[●]
January 05, 2018	Preferential Allotment	Cash	10,00,000	18,04,970	10	20	8.20	5.82	[●]
August 13, 2018	Right Issue	Cash	3,50,000	21,54,970	10	20	2.87	2.04	[●]
January 30, 2019	Bonus Issue	Other than Cash	15,08,479	36,63,449	10	N.A.	12.38	8.78	[●]
July 10, 2023	Bonus Issue	Other than Cash	36,63,449	73,26,898	10	N.A.	30.06	21.31	[●]
	TOTAL (B)		**73,26,898**				**60.11**	**42.63**	
Sunitadevi Agarwal									
October 14, 2017	Share Transfer	Cash	5	5	10	10	-	-	-
December 28, 2017	Preferential Allotment	Cash	565000	565005	10	20	4.64	3.29	
July 26, 2018	Rights Issue	Cash	145000	710005	10	20	1.19	0.84	-
August 20, 2018	Share Transfer	Cash	5	710010	10	10	0.00	0.00	-
January 30, 2019	Bonus Issue	Other than Cash	4,97,007	1207012	10	-	4.08	2.89	-
July 10, 2023	Bonus Issue	Other than Cash	12,07,017	2414029	10	-	9.90	7.02	-
	TOTAL (C)		**24,14,034**				**19.81**	**14.04**	

Note: All the Equity Shares allotted and held by our Promoters were fully paid at the time of allotment and none of the Equity Shares held by our Promoters is pledged.

None of our Promoters, Promoters Group, Directors and their relatives have purchased or sold the equity share of our company during the past six months immediately preceding the date of filing Draft Prospectus except as stated below:

Date Of transaction	Name of the Promoter/Director/ Promoter Group	Purchased /~~sold~~	No of shares
July 10, 2023	Aditya Agarwal	Bonus Issue	12,23,949
July 10, 2023	Niranjan Agarwal	Bonus Issue	36,63,449
July 10, 2023	Sunitadevi Agarwal	Bonus Issue	12,07,017

4. 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 six months preceding the date of filing of the Draft Prospectus.

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

Sr. No.	Name of Promoters	No. of Equity Shares held	Average Cost of Acquisition in ₹
1.	Aditya Agarwal	24,47,898	5.66
2.	Niranjan Agarwal	73,26,898	4.78
3.	Sunitadevi Agarwal	24,14,034	5.88

BUSINESS OVERVIEW

The following addition shall be added and updated in this Chapter. Please note that all other details will be carried out/read as same in the offer document.

Our journey so far

Our Company is led by our Promoter & Managing Director Mr. Niranjan Agrawal and Mr. Adity Agrawal, promoter and wholetime director of our company. Mr. Niranjan Agrawal is having a very rich experience of more than three decades in the textile industry. He started his career with job in Textile group and handled Finance, Administration as well as Marketing till the year 2000. After that he started his own commission agent business in Textile Industry. After getting rich experience in the industry, he established Dwarkesh Industries in the year 2007 as Trading Concern. He also started other units namely M/s Ankita Textile Mills under the Proprietorship of Sunitadevi, his wife, in the year 2009 and M/s Aditya Exim in the year 2011 under proprietorship of Niranjankumar Agarwal HUF. In the year 2014 M/s Manish Garments has been taken over as a partnership unit, the partners of firm are Mr. Niranjankumar Dwarkaprasad Agarwal and Mr. Aditya Niranjankumar Agarwal. With his vast experience our promoter Mr. Niranjan Agrawal has incorporated company in the name and style of M/s. Kalahridhaan Trendz Private Limited' in the year 2016-17 with the object to develop in the direction of textile industry.

Our Company is engaged mainly in the business of manufacturing and trading of Fabric with embroidery works, Trading of grey cloths, purchase of grey cloth and printing and dyeing for preparing suiting, shirting and dress materials for sale it in the B2B market only. We are preparing the suiting, shirting & dress material products and focus on the whole sale market. We are the first stage wholesalers, who directly supply the material to the wholesalers.

In case of Embroidery Segment, our Company undertake the embroidery work for its own business as well as on behalf of the other clients. In addition to this we also get embroidery work out sourced. Our company also deals in purchase and sell of grey cloths as well as the suiting, shirting and dress materials. We have two embroidery knitting machines having capacity of 15000 meters per day.

As a part of expansion of business activities, as a part of forward integration, we have also taken over the textile Dying and printing business unit on rent basis in February, 2018, where we are carrying out the dying and printing of suiting, shirting and dress materials for our own use as well as on job work too.

The bifurcation of income from manufacturing and job work for the last 3 financial year and stub period are as under:

(Rs. in Lakhs)

Particulars	FY 2020-21	% of T/o	FY 2021-22	% of T/o	FY 2022-23	% of T/o	September 30, 2023	% of T/o
Sales of Manufacturing Goods	13235.91	100.00	18390.46	100.00	17639.66	95.78	7969.54	94.57
Job Work	0.00		0.00		777.19	4.22	457.59	5.43
Total	**13235.91**	**100.00**	**18390.46**	**100.00**	**18416.85**	**100.00**	**8427.13**	**100.00**

Quality control and tests at each stage at the manufacturing process

We Assure Optimum Quality to our Customers	
	Sample Padder,
›	Light Box,
›	Washing Machine,
›	Tumbler Dryer,
›	Tumbler Washer,
›	Strength Testing Machine,
›	Crocking Fastness Meter,
›	GSM Cutter & Weighting Scale,
›	Drying Oven,
›	Auto Dispensing System (Copower),

›	ICI Peel Box,
›	ROTO Dyer (copower),
›	Spectra Photometer (Gretag Macbeth)

Owned Plant &Machinery:

We have following major machineries at Embroidery Unit:

We have 2 nos. of computerized multiple needle Embroidery Machines in our factory

We have following major machineries at process house:

SN.	Name Of Machine	No. of Machine	Use of Machine
1	Jet Machine	5	For Polyster Dyeing
2	Jigar Machine	32	For Cotton Dyeing
3	Dyeing Range Machine	1	For Dry Of Cloth
4	Stenter Machine	2	For Width Setting & Fitting
	Printing Machine		
1.	Rotary Print Machine	2	For Printing
2.	Flat Belt	1	For Printing
3.	Calylinder Machine	1	For Printing
4.	Zero Zero Machine	1	For Printing
5.	Lafar Machine	1	For Smoth Ness Of Cloth
6.	Polymerizing Machine	1	For Fixing Colour
7.	Washing Machine	1	For Cloth Washing
8.	Steam Boiler	1	For Steam
9.	Oil Boiler	1	For Steam
10.	Merecning Machine	1	For Mererise
11.	Folding Machine	2	For Folding Cloth
12.	Comprassor & Other		

Infrastructure facilities for Raw Materials and Utilities like Water, electricity etc.

Raw Material

The essential raw material used by our manufacturing facility for embroidery and dying printing is grey fabric, chemicals & threads only. We procure majority of the raw materials from the suppliers based in Gujarat. We have not entered into any agreement for the supply of any raw material with any of the party as the said raw material is easily available in the local market. We procure the same as and when required and by looking into the price fluctuations.

Permission of Pollution Control Department

We have received consent and authorization from the M/s Aditya Exim, Proprietorship of our on whose name the machinery and other GPCB approval has been taken for the business. And the consent Order No. W- 108711 dated July 13, 2020 from Gujarat Pollution Control Board for the discharge of trade effluent & emission due to operation of Industrial Plant for manufacture of processing of cloth 2,00,000meters/month, which is valid up to December 31, 2024 has been used by our Company.

SALES AND MARKETING:

The marketing strategy of the Company is the combination of direct marketing, identifying sales opportunities to existing and prospective clients. Conversation with manufacturers on an individual basis, all the year round is part of the strategy. Our company has always focused on meeting the customer's requirement in the most efficient way by offering them quality products, reasonable price, just in time delivery. We support our marketing efforts by maintaining regular personal contacts and meetings.

The Promoter Nirajan Agrawal is having experience of more than four decades in Textile industry. The experience of the promoters and the supply of the quality product built the relations with the clients. Our quality of products and continuous maintain the requirements of the clients expand our customers. The involvement of the promoters and personal attention of the clients help the company to enhance customer base. For our embroidery products our Design team continuously works to make innovative designs. This process is undertaken with tastes, trends, regions and habits of the target customers. The company prepares the design with the help of its designers and marketing personnel. Our team of designers and marketing personnel collect designs from international brands and trendsetters, magazines, latest fashion houses. After receiving the designs necessary changes/up gradations are made in our design studio and sent back with the fabric sample. By providing the new design and timely delivery of the products we enhance our customer base.

The revenue bifurcation of last three years.

(Rs. In Lacs)

Sr. No.	Product	FY 2022 -23	%	FY 2021 -22	%	FY 2020 -21	%
1	Embroidery cloths	6431.16	34.92	6260.00	34.04	5314.22	40.15
2	Printed Cloths	11985.69	65.08	12130.14	65.96	7921.69	59.85
	Total Revenue from Operations (excluding Other Income)	**18416.85**		**18390.14**		**13235.91**	

Export possibility and obligation

We do not have any export possibility and obligation as on date of this Draft Prospectus. The Company does not have any foreign presence.

OUR MANAGEMENT

Our Company currently has 6 (Six) directors on our Board out of which 2 (Two) are Executive Directors, 1 (One) is Non-Executive & Non-Independent Director and 3 (Three) Independent Directors.

1. Niranjan Agarwal - Managing Director
2. Aditya Agarwal - Wholetime Director
3. Sunitadevi Agarwal - Non- Executive and Non-Independent Director
4. Bharatkumar Chaudhary - Independent Director
5. Ankit Agrawal- Independent Director
6. Drashti Solanki - Independent Director

BOARD OF DIRECTORS

The Following table sets forth details regarding the Board of Directors as of the date of this Draft Prospectus:

Name, Father's Name, Address, Date of Birth, Age, Designation, Status, DIN, Occupation and Nationality	Other Directorships
Name: Niranjan Agarwal **Father's Name**: Dwarkaprasad Agarwal **Address**: 4, Shrinath Colony, Bhairavnath Road, Maninagar, Ahmedabad Gujarat - 380008 **Date of Birth**: May 04, 1963 **Age:** 60 Years **Designation**: Managing Director **Status:** Executive Director **DIN**: 00413530 **Occupation**: Business **Nationality**: Indian **Term:** Five (5) years w.e.f. January 10, 2023 **Original Date of Appointment:** May 27, 2016 as a Director of the company	1. Katex Exim Limited. 2. Shri Laxminarayan Weaving Private Limited. 3. Aadi Texworld Private Limited. 4. Odles E-Commerce Private Limited. 5. D K Agarwal Buildcon Private Limited. 6. Kalsun Investment Consultancy Private Limited.
Name: Aditya Agarwal **Father's Name**: Niranjanlal Agarwal **Address**: 4, Shrinath Colony, Bhairavnath Road, Maninagar, Ahmedabad Gujarat - 380008 **Date of Birth:** July 07, 1993 **Age**: 30 Years **Designation**: Whole Time Director **Status:** Executive Director **DIN**: 07511136 **Occupation**: Business **Nationality**: Indian **Term:** Five (5) years w.e.f. January 10, 2023 **Original Date of Appointment:** May 27, 2016 as a Director of the company	1. Katex Exim Limited. 2. Shri Laxminarayan Weaving Private Limited. 3. Aadi Texworld Private Limited. 4. Odles E-Commerce Private Limited. 5. D K Agarwal Buildcon Private Limited. 6. Kalsun Investment Consultancy Private Limited.
Name: Sunitadevi Agarwal **Father's Name**: Raghunathprasad Nathani **Address**: 4, Shrinath Colony, Bhairavnath Road, Maninagar, Ahmedabad, Gujarat - 380008 **Date of Birth:** January 26, 1967 **Age** :56 Years **Designation**: Director **Status:** Non-Executive Director **DIN**: 02635438 **Occupation**: Business **Nationality**: Indian **Term:** Retire by Rotation **Original Date of Appointment:** January 06, 2023 as Non-Executive	-

Additional Director of the company	
Name: Bharatkumar Chaudhary **Father's Name**: Dipakbhai Chaudhary **Address**: L-902, Shyam Hills, Nr Gst Bridge Nr Sun Real Homes, New Ranip, Ahmedabad, Gujarat - 382480 **Date of Birth:** March 02, 1989 **Age**: 34 Years **Designation**: Independent Director **Status:** Non-Executive Director **DIN**: 08638911 **Occupation**: Professional **Nationality**: Indian **Term:** Five (5) years w.e.f. April 24, 2023 **Original Date of Appointment:** April 24, 2023 as a Non-Executive Additional Independent Director	1. Rachana Infrastructure Limited
Name: Ankit Kumar Agrawal **Father's Name**: Surendrakumar Agrawal **Address**: 19, Agrasen Society, Mansarover Road, Palanpur, Banaskantha, Gujarat - 385001 **Date of Birth:** October 16, 1989 **Age**: 33 Years **Designation**: Independent Director **Status:** Non-Executive Director **DIN**: 10118085 **Occupation**: Professional **Nationality**: India **Term:** Five (5) years w.e.f. July 22, 2023 **Original Date of Appointment:** July 22, 2023 as Non-Executive Additional Independent Director	1.DCG Cables &Wires Limited 2. Astron Multigrain Private Limited 3. A And M Jumbobags Limited 4. NMS Petrochem Private Limited 5. Shree Marutinandan Tubes Limited
Name: Drashti Solanki **Father's Name**: Laxmikant Solanki **Address**: Plot no. 821/2, Sector 7/C, Gandhinagar- Gujarat 382007 **Date of Birth:** January 18, 1994 **Age**: 29 Years **Designation**: Independent Director **Status:** Non-Executive Director **DIN**: 10136197 **Occupation**: Professional **Nationality**: India **Term:** Five (5) years w.e.f. July 22, 2023 **Original Date of Appointment:** July 22, 2023 as Non-Executive Additional Independent Director	1. DCG Cables &Wires Limited 2. Astron Multigrain Private Limited 3. Virtuoso Optoelectronics Limited 4. A And M Jumbobags Limited 5. Chavda Infra Limited

Confirmations

As on date of this Draft Prospectus

A. None of the Directors are/ were directors of any company whose shares were suspended from trading by Stock Exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five (5) years.
B. None of the Directors are on the RBI List of willful defaulters.
C. None of the Directors are/ were directors of any listed entity whose shares were delisted from any Stock Exchange(s).
D. Further, none of the directors are/ were directors of any entity which has been debarred from accessing the capital markets under any order or directions issued by the Stock Exchange(s), SEBI or any other Regulatory Authority.
E. None of the Directors are fugitive economic offender.

Family Relationship between the Directors

Except as stated below, None of the Directors of our Company are related to each other as per section 2(77) of the Companies Act, 2013.

Niranjan Agarwal, Promoter & Managing Director of our Company is Father of Aditya Agarwal, Whole Time Director of the Company.

Sunitadevi Agarwal, Promoter & Director of the company of our company is Wife of Niranjan Agarwal, Promoter & Managing Director of our Company.

Sunitadevi Agarwal, Promoter & Director of the company of our company is Mother of Aditya Agarwal, Whole Time Director of the Company.

Further, our Directors are not related to any of the Key Managerial Personnel and Senior Management of our Company.

Brief Profiles of Our Directors

Sunitadevi Agarwal aged 56 years, is a Promoter & Non-Executive Director of our company. She is not Matriculate. She is always associated with the routine course of business of the Company. Currently, she looks after the HR related matters in the Company.

Profiles of our Key Managerial Personnel

For the profile of Niranjan Agarwal, Managing Director, and Aditya Agarwal, Whole Time Director Please refer chapter titled *"Our Management - Brief Biographies of our Directors"* on page 109 of this Draft Prospectus.

The Key Managerial Personnel of our Company other than our Directors are as follows:-

Name, Designation and Date of Joining	Qualification	Previous Employment	Overall Experience*	Remuneration paid in previous year (2022-23) (₹ in Lakhs)
Kushang Thakkar Company Secretary and Compliance Officer **D.O.J** - April 24, 2023	B. Com from Gujarat University, Company Secretary From ICSI	Sabar Flex India Limited	8 Years	-
Yash Agarwal Chief Financial Officer **D.O.J –** August 31, 2023	B.B.A from Gujarat University, and M.B.A. From IIM, Ahmedabad	Odles E-Commerce Private Limited	3 Years	-

*Mr. Yash Agarwal has served as a director in some of the companies which in the business of software / technologies and e-commerce, in which he is looking into financial aspects of that respective companies.

Mr. Kushang Thakkar has served as a Company Secretary role either in employment or in consultancy in some of the organisations since last 7-8 years.

Changes in Our Company's Key Managerial Personnel during the last three (3) years

Name of KMP	Designation	Date of Event	Reason
Yash Agarwal	Chief Financial Officer	August 31, 2023	Appointed as Chief Financial Officer
Niranjan Agarwal	Chief Financial Officer	August 31, 2023	Resigned From the post of Chief Financial Officer.
Niranjan Agarwal	Chief Financial Officer	June 15, 2023	Appointed as Chief Financial Officer
Kushang Thakkar	Company Secretary and Compliance Officer	April 24, 2023	Appointed as Company Secretary and Compliance Officer

For details with respect to the Changes in directors who are KMP, please refer to section titled "Changes in our Company's Board of Directors during the last three (3) years" on page 109 of this Draft Prospectus.

OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are:

	Niranjan Dwarkaprasad Agarwal aged 60 years, is the Chairman and Managing Director of our company. **Date of Birth:** May 04, 1963 **Personal Address:** 4, Shrinath Colony, Bhairavnath Road, Maninagar, Ahmedabad 380008. **Permanent Account Number**: ADFPA1858G For further details of his educational qualifications, experience, positions / postsheld in the past, directorships held and special achievements please refer chaptertitled "Our Management" beginning on page no. 109 of this Draft Prospectus.
	Aditya Agarwal aged 30 years, is the Whole Time Director of our company. **Date of Birth:** July 07, 1993 **Personal Address:** 4, Shrinath Colony, Bhairavnath Road, Maninagar, Ahmedabad 380008. **Permanent Account Number**: AKTPA4024B For further details of his educational qualifications, experience, positions / postsheld in the past, directorships held and special achievements please refer chaptertitled "Our Management" beginning on page no. 109 of this Draft Prospectus.
	Sunitadevi Agarwal **Date of Birth:** January 26, 1967 **Personal Address:** 4, Shrinath Colony, Bhairavnath Road, Maninagar, Ahmedabad 380008. **Permanent Account Number**: ADRPS3295H For further details of his educational qualifications, experience, positions / postsheld in the past, directorships held and special achievements please refer chaptertitled "Our Management" beginning on page no. 109 of this Draft Prospectus.

*For details of the build-up of our Promoters' shareholding in our Company, please see "**Capital Structure – Shareholding of our Promoters**" beginning on page no 47 of this Draft Prospectus.*

Confirmations

We confirm that the details of the permanent account numbers, bank account numbers, passport numbers, Aadhar card and Driving License of our Promoters will be submitted to the Stock Exchange at the time of filing the Draft Prospectus with the Stock Exchange.

Further, our Promoters has confirmed that they have not been declared as willful defaulters or Fraudulent Borrower by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past or are currently pending against them.

Additionally, none of the Promoters have been restrained from accessing the capital markets for any reasons by the SEBI or any other authorities.

Other ventures of Promoters

Save and except as disclosed in this section titled "our promoter and Promoter Group", there are no ventures promoted by our promoters in which they have any business interest or any other interest as on the date.

Change in the management and control of the Issuer

Our Promoters are the original Promoters of our Company and there has been no change in the control of our Company from the inception of the company.

Relationship of Promoters with our directors

None of the Directors of the Company are related to each other as per section 2(77) of the Companies Act, 2013, Except as under:

Niranjan Agarwal, Promoter & Managing Director of our Company is Father of Aditya Agarwal, Whole Time Director of the Company.

Sunitadevi Agarwal, Promoter & Director of the company of our company is Wife of Niranjan Agarwal, Promoter & Managing Director of our Company.

Sunitadevi Agarwal, Promoter & Director of the company of our company is Mother of Aditya Agarwal, Whole Time Director of the Company.

Interest of Promoters

Our Promoters are interested in our Company to the extent of the promotion of our Company and to the extent of their shareholdings, Managing Director in our Company and the shareholding of their relatives in our Company and the dividend declared and due, if any, and employment related benefits, if any paid by our Company. For further details, please refer chapters titled "*Capital Structure*" and "*Our Management*" beginning on pages 47 and 109, respectively of this Draft Prospectus. For further details, please refer chapters titled "*Capital Structure - Shareholding of our Promoter and Promoter Group*" beginning on page 47 and "*Restated Financial Statements*" on page 123, respectively of this Draft Prospectus.

Our Promoters are not interested as a member in any firm or company which has any interest in our Company. Further, no sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are interested as a member or proprietor or partner, in cash or shares or otherwise by any person either to induce our Promoters to become, or qualify him as a director, or otherwise for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Interest in the properties of our Company

Our Promoters and members of Promoter Group do not have any interest in any property acquired by or proposed to be acquired by our Company during a period of three years prior to filing of the 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 47 of this Draft Prospectus.

No sum has been paid or agreed to be paid to our Promoters and they are not interested as members of any firm or any company and hence no sum has been paid or agreed to be paid to such firm or company in cash or shares or otherwise by any person for services rendered by our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Other Interest

Our Promoters are not interested in any transaction for 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.

Payment of benefits to our Promoters

Except as stated in the *Note AB "Related Party Transactions"* on page 145 there has been no payment of benefits to our Promoters during the two years preceding the filing of this Draft Prospectus.

Guarantees

Except as stated in the section titled "*Restated Financial Statements*" beginning on page 123 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.

Details of Companies / Firms from which our Promoters have disassociated

Our Promoters have not disassociated themselves from any firms or companies in the last three (3) years preceding this Draft Prospectus.

Our Promoter Group

Our Promoter Group in terms of Regulation and 2(1)(pp) of the SEBI ICDR Regulations, 2018. In addition to our Promoters named above, the following individuals and entities form a part of the Promoter Group:

A. **Individual persons who are part of our Promoter Group**

Promoters: Niranjan Agarwal and Aditya Agarwal

	Relationship with promoters		
Promoter	**Niranjan Agarwal**	**Sunitadevi Agarwal**	**Aditya Agarwal**
Father	Mr. Dwarkaprasad Agarwal	Mr. Raghunath Prasad Kamaram Nathani	Mr. Niranjanlal Agarwal
Mother	Mrs. Kalavatidevi Agarwal	Mrs. Tarbinidevi Nathani	Mrs. Sunitadevi Agarwal
Spouse	Mrs. Sunitadevi Agarwal	Mr. Niranjan Dwarkaprasad Agarwal	NA
Brother	1. Mr. Santoshkumar D Agarwal 2. Mr. Nareshkumar D Agarwal	NA	NA
Sister	NA	NA	Mrs. Ankita Sajal bansal
Son	Mr. Aditya Agarwal	Mr. Aditya Niranjanlal Agarwal	NA
Daughter	Mrs. Ankita Sajal Bansal	Mrs. Ankita Bansal	NA
Spouse's Father	Mr. Raghunathprasad Nathani	Mr. Dwarkaprasad Agarwal	NA
Spouse's Mother	Tarbini Devi Nathani	Mrs. Kalavatidevi Agarwal	NA
Spouse's Brother	NA	1. Mr. Santoshkumar D Agarwal 2. Mr. Nareshkumar D Agarwal	NA
Spouse's Sister	NA	NA	NA

Companies, Proprietary concerns, HUF's related to our promoters

Nature of Relationship	Entity
Anybody corporate in which twenty per cent. or more of the equity share capital is held by the promoters or an immediate relative of the promoters or a firm or Hindu Undivided Family in which the promoters or any one or more of their relative is a member	1. Odles E Commerce Private Limited 2. Katex exim Limited 3. Shri laxminarayan weaving Private Limited 4. Aadi Texworld Private Limited 5. Kalsun Investment Consultancy Private Limited 6. D K Agarwal Buildcon Private Limited
Anybody corporate in which a body corporate as provided in above holds twenty per cent. or more, of the equity share capital; and	-
Any Hindu Undivided Family or firm in which the aggregate share of the promoters and their relatives is equal to or more than twenty per cent. of the total capital;	1. Shri Goverdhan Minerals LLP 2. White Gate Infrastructure LLP 3. Aditya Exim 4. Manish Garments

For further details on our Promoter Group refer Chapter Titled "Financial Information of our Group Companies" beginning on page no.166 of Draft Prospectus.

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

The following addition shall be added and updated in this Chapter. Please note that all other details will be carried out/read as same in the offer document.

PART I –LITIGATIONS INVOLVING OUR COMPANY

A. LITIGATIONS AGAINST OUR COMPANY

1) Criminal Litigations
NIL
2) Civil Proceedings
NIL
3) Taxation Matters

Assessment Year	Section	Outstanding demand Amount with Interest (in Rs. in Lakhs)	Particulars
2019-20	1431a	6.80	The intimation under section 143(1)(a) was issued for Asst year 2020-21 and demand was raised 0f Rs,6,80,302 on December 18, 2021 which consist of Tax amount of Rs. 5,62,240 and Interest amount of Rs. 1,18,062 due to difference in the calculation of Taxable income.

4) Proceedings against Our Company for economic offences/securities laws/ or any other law
NIL
5) Penalties in Last Five Years
NIL
6) Pending Notices against our Company
NIL
7) Past Notices to our Company
NIL
8) Disciplinary Actions taken by SEBI or stock exchanges against Our Company
NIL
9) Defaults including non-payment or statutory dues to banks or financial institutions
NIL
10) Details of material frauds against the Company in last five years and action taken by the Companies.
NIL

B. LITIGATIONS FILED BY OUR COMPANY

1) Criminal Litigations

Sr. No.	Parties	Case No.	Authority	Summary	Current Status
1.	**Complainant**: M/s. Kalahridhaan Trendz Limited Accused: M/s. Bhola Synthetics Pvt. Ltd. & Ors.	CC/34321/ 2022	Hon'ble Metropolitan Magistrate Court at Ahmedabad,	The Company had supplied various fabric materials to M/s. Bhola Synthetics Pvt. Ltd (Accused) during the period February 18, 2019 to October 16, 2019 vide 26 invoices amounting to Rs. 54,20,268/- against which the accused had paid only Rs. 22,00,000/- only and Rs. 32,20,268/- was outstanding. The	Next Date of hearing is February 29, 2024

				accused has issued ch. No.467774 of Canara Bank, dated January 20, 2022 amounting to Rs. 30,00,000/- towards the above outstanding amount. The said cheque was returned unpaid on January 24, 2022 with the remarks "Exceeds Arrangement". So, the Company has issued legal notice u/s138 of Negotiable Instrument Act, 1881 against M/s. Bhola Synthetics Pvt. Ltd. & ors on February 04, 2022. The Company have prayed the compensation out of the separate from the fined amount as per Section 357 of the Code of Criminal Procedure, 1973.	

*The above stated hearing date is not updated as on date of the Draft Prospectus.

2) Civil Proceedings

Sr. No.	Parties	Case No.	Authority	Summary	Current Status
1.	Plaintiff: M/s. Kalahridhaan Trendz Limited Defendant: M/s. Ashtavinayak Texsource	Comm/CS/96/ 2022	Hon'ble Commercial Court at City Civil Court, Ahmedabad, Gujarat	The Company had issued 2 invoices amounting to Rs. 6,05,890 and Rs.5,78, 896 to M/s. Ashtavinayak Texsource for the supply of various fabric materials to them. They have paid Rs.4,74,443 only. The Company have filed a recovery suit against the them in Commercial Court at Ahmedabad, for recovery of Rs. 11,53,537.77 (Consisting of Rs. 7,10,343 Principal amount and Rs. 4,43,194.77 interest @24%perannum.	Next date of hearing is January 29, 2024
2.	Plaintiff: M/s. Kalahridhaan Trendz Limited Defendant: M/s. Nandpriya Fabrics Pvt. Ltd.	Comm/CS/99/ 2022	Hon'ble Commercial Court at Ahmedabad	The Company had supplied various fabric materials to M/s. Nandpriya Fabrics Pvt. Ltd. (Accused) during the period June 15, 2019 to January 28, 2020 vide 27 invoices amounting to Rs. 49,15,372 against which the accused had paid only part of the	Next date of hearing is February 14, 2024

				outstanding amount and Rs. 43,96,658 was remained unpaid and outstanding. Against the above outstanding amount they have issued 5 cheques amounting to Rs.7,82,839 of Syndicate Bank, Gandhinagar Branch, Delhi (already merged Bank) as the Syndicate Bank was merged with the Canara Bank, so the cheques itself were invalid. Thereafter, they have not paid any amount against the outstanding amount. So, we have filed a recovery suit against the them in Commercial Court at Ahmadabad, for recovery of Rs. 68,34,954.22 (Consisting of Rs. Rs.43,96,658 Principal amount and Rs. 24,38,296.22 interest @ 24% per annum.	

3) Taxation Matters
   NIL
4) Details of any enquiry, inspection or investigation initiated under Companies Act, 2013 or any previous Company Law.
   NIL

PART II –LITIGATIONS INVOLVING DIRECTOR(S) OF OUR COMPANY

A. LITIGATIONS AGAINST DIRECTOR(S) OF OUR COMPANY

1) Criminal Litigations
   NIL
2) Civil Proceedings
   NIL
3) Taxation Matters

Income Tax Demand Pending against Mr. Niranjan Agarwal as on September 27, 2023

Assessment Year	Section	Outstanding demand Amount with Interest (in Rs. in Lakhs)	Particulars
2010-11	271(1)(C)	123.53	An Assessment Order has been passed under section 143(3) r.w.s 254 of the Income Tax Act on September 28,2021 by making addition of Rs. 2,79,46,000 on account of undisclosed investment u/s 69 of the IT Act and raises the demand of Rs. 1,26,40,566. The tax along with interest is Rs 1,44,10,236. The Assessing Office had passed the order under section 271(1)(c) of the IT act for disclosing inaccurate income and passed the order for imposing the penalty of Rs. 82,95,210. The penalty amount
2010-11	147	144.10	

			along with interest is Rs. 1,23,53,311. An appeal has been filed against the order to the CIT (appeal) on October 13, 2021.
2013-14	143(3)	0.28	An Assessment order has been passed under section 143(3) of the Income Tax Act on March 11,2016. The assesse has not paid the Interest amount of Rs. 28152.
2016-17	143(1)(a)	6.65	The intimation under section 143(1)(a) was issued for Asst year 2016-17 and demand was raised of Rs. 6,64,839 which consist of Tax amount of Rs. 3,84,300 and interest amount of Rs. 2,80,539. on November 10,2016 due to difference in the calculation of Taxable income.
2018-19	154	2.49	The Assessment order has been rectified by the Assessing Officer under section 154 of the Income Tax Act by making addition of Rs. 5,95,885/- on account of nun deduction of TDS from the interest payment on May 24, 2023 and raised the demand of income tax amount of Rs. 2,49,192.
2020-21	143(3)	11.74	An Assessment Order has been passed under section 143(3) of the Income Tax Act on September 20,2022 by making addition of RS 16,34,530 on account of non-deduction of TDS from the Interest payment and raises the demand of Rs 7,77,654. The tax along with interest is Rs 11,74,230. An appeal has ben filed against the order to the CIT (appeal) on October 10, 2022.

Income Tax Demand Pending against Mrs. Sunitadevi Niranjan Agarwal as on September 27, 2023

Assessment Year	Section	Outstanding demand Amount with Interest (in Rs. in Lakhs)	Particulars
2016-17	154	1.96	The Assessment order has been rectified by the Assessing Officer under section 154 of the Income Tax by by making addition of Rs 7,47,120 on account of mistake in submitting the details of income in the original return on March 22,2021 and raised the demand of income tax amount of Rs. 3,33,616. At present the outstanding demand is of RS.1,96,000.
2018-19	147	0.68	The intimation under section 143(1) was passed on February 26, 2019. The case was reopened under section 148 of the IT act and Assessment order has been passed on March 03, 2023 under section 147 read with section 144B of the Income Tax Act disallowing the loss of Rs 2 lacs claimed by the assessee in the original return. The outstanding demand is of Rs 0.71 lacs.
2018-19	147	0.03	

4) Past Penalties imposed on our Directors
   NIL
5) Proceedings initiated against our Directors for economic offences/securities laws/ or any other law
   NIL
6) Directors on list of wilful defaulters of RBI
   NIL

GOVERNMENT AND OTHER STAUTORY APPROVALS

Details of Professional Tax has been updated in the below table.

(D) Registration and Approvals under Statutory and Regulatory Act(s):

Sr. No.	Authority Granting Approval	Approval/ Registration No.	Applicable Laws	Nature Of Approvals	Validity
1.	Ministry of Micro, Small and Medium Enterprises, Government of India	UDYAM-GJ-01-0108502	The Micro, Small and Medium Enterprises Development Act, 2006	Udyam Registration Certificate	Valid till cancelled
2.	Amdavad Municipal Corporation	PII/LMBNR/4000991 /0277730 (LAMBHA-NAROL)	(Regulation of Employment and Conditions of Service) Act, 2019	Gujarat Shops and Establishments	
3.	Amdavad Municipal Corporation	PEC010320085823	Gujarat State Tax on Profession, Trade, Calling and Employment Act, 1976.	Profession Tax department – EC (Enrollment Certificate)	Valid till cancelled
4.	Amdavad Municipal Corporation	PRC010320000226	Gujarat State Tax on Profession, Trade, Calling and Employment Act, 1976.	Profession Tax department – RC (Registration Certificate)	Valid till cancelled
5.	Directorate Industrial Safety and Health	License No. 35297 Registration No. 9224/13991/2018	Factories Act, 1948	License to work a factory	Upto December 31, 2027
6.	Ministry of Labour and Employment, Government of India	Code No. GJVAT1816723000	Employees Provident Fund and Miscellaneous Provisions Act, 1952	Provident Fund Intimation Letter	Valid till cancelled
7.	Employees State Insurance Corporation	Code No. 37001128620000199	Employees State Insurance Act, 1948	Intimation Letter	Valid till cancelled

Other than routine course of business, there are no any material license in the Company which are applied but yet not received.

DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities 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 and Exchange Board of India Act, 1992 or the rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements are true and correct.

Signed by the Directors of the Company:

Name	Designation	Signature
Mr. Niranjan Agarwal	Managing Director	Sd/-
Mr. Aditya Agarwal	Wholetime Director	Sd/-
Mrs. Sunitadevi Agarwal	Non-Executive Director	Sd/-
Mr. Bharatkumar Chaudhary	Independent Director	Sd/-
Mr. Ankit Kumar Agrawal	Independent Director	Sd/-
Ms. Drashti Solanki	Independent Director	Sd/-

Signed by:

Name	Designation	Signature
Yash Agarwal	Chief Financial Officer	Sd/-
Kushang Thakkar	Company Secretary and Compliance Officer	Sd/-

Place: Ahmedabad

Date: December 26, 2023